

THE STRUGGLE
FOR
SELF-GOVERNMENT

LINCOLN STEFFENS

June 143
Warren

THE STRUGGLE FOR SELF-GOVERNMENT

Other books by
LINCOLN STEFFENS



THE SHAME OF THE CITIES

Pol. Sci
Loc. Govt
S 817 st

THE
Struggle for Self-Government

BEING AN ATTEMPT TO TRACE
AMERICAN POLITICAL CORRUPTION TO ITS SOURCES IN
SIX STATES

OF THE UNITED STATES
WITH A DEDICATION TO THE CZAR

BY

Joseph LINCOLN STEFFENS


'''



490792

27.4.49

NEW YORK
McCLURE, PHILLIPS & CO.
MCMVI


The seal is circular and embossed. It features a central crown with a cross on top. The words "UNIVERSITY OF TORONTO" are written in a circular path around the crown. Below the crown, there is a small rectangular emblem.

Copyright, 1906, by
McCLURE, PHILLIPS & Co.
Published May, 1906

Copyright, 1904-1905, by
THE S. S. McCLURE COMPANY

CONTENTS

	PAGE
DEDICATION—TO HIS MAJESTY, NICHOLAS THE SECOND, BY THE GRACE OF GOD, EMPEROR AND AUTOCRAT OF ALL THE RUSSIAS, CZAR OF POLAND, GRAND DUKE OF FINLAND, ETC., ETC.	v
FOLK'S FIGHT FOR MISSOURI—SHOWING HOW TO BEAT THE BOODLE SYSTEM OF ST. LOUIS, THE PEOPLE HAD TO CHALLENGE THE SAME SYSTEM IN THE STATE . .	3
CHICAGO'S APPEAL TO ILLINOIS—SHOWING HOW, SINCE THE CORRUPTION OF A STATE AND ITS CITIES IS ALL ONE SYSTEM, MUNICIPAL REFORM MUST INCLUDE STATE REFORM	40
WISCONSIN: REPRESENTATIVE GOVERNMENT RESTORED— THE STORY OF LAFOLLETTE'S WAR ON THE RAILROADS THAT RULED HIS STATE	79
RHODE ISLAND: A CORRUPTED PEOPLE—SHOWING THAT AMERICAN CITIZENS CAN BE BOUGHT (CHEAP) TO SELL OUT THEIR CITIES AND STATES	120
OHIO: A TALE OF TWO CITIES—SHOWING BUSINESS RULERS OF A STATE RESORTING TO ANARCHY TO CHECK MUNICIPAL REFORM	161
NEW JERSEY: A TRAITOR STATE, PART I.—THE CON- QUEST: SHOWING HOW THE PENNSYLVANIA RAILROAD SEIZED THE GOVERNMENT	209
NEW JERSEY: A TRAITOR STATE, PART II.—THE BE- TRAYAL: SHOWING HOW THIS BOUGHT STATE SOLD OUT THE UNITED STATES TO THE TRUSTS FOR MONEY	253



Digitized by the Internet Archive
in 2008 with funding from
Microsoft Corporation

TO

HIS MAJESTY, NICHOLAS THE SECOND, BY THE
GRACE OF GOD, EMPEROR AND AUTOCRAT
OF ALL THE RUSSIAS, CZAR OF POLAND,
GRAND DUKE OF FINLAND, ETC., ETC.

SIRE: Without permission, but with the best of private intentions, I, a sovereign American citizen, fearful for my crown as you are, Sire, for yours—I lay this book at the foot of your throne. It is a description of something you dread, popular government, and I wrote it for the encouragement of my own people, but they do not see much to encourage them in it. Maybe your Majesty will. My people regard the book as a series of rather disquieting accounts of certain particular, exceptional evils of a kind that occur here and there and now and then, but which, while disgraceful to the particular

States where they happened to happen, have no general significance. Now, I chose the States described not because they were the worst (some of them are the best State governments we have), but as types of the essential nature of our whole government, as it has come to be.

Sire, these pages contain several accounts of a revolution, one revolution which is going on everywhere in my country, in all the cities and in all the towns, in the rural districts, in the States, and in the United States. And my people will not see it so. To them, as to most men, a revolution is something like that which you are in the throes of now. They associate images of blood with that word, and violence, civil war, and great physical discomfort. And we had such a revolution once. It was one hundred and thirty years ago. We, the American people, rose then, as your Russians are rising now, and we achieved then what your people hope to achieve now—liberty, equality before the law, and self-government. And I hear, and I do not doubt, that your people, knowing of our days of 1776, and believing (as we do ourselves) that we still are possessed of the fruits of that ancient triumph, are looking to us, to the history and the happiness of the American people, for inspiration, example, and comfort. Sire, so shall you. They find here what they seek. Sire, so would you.

Your Majesty should know that after our first, the bloody American revolution, a second, bloodless, nameless and slow, set in. After we had established "government of the people, by the people, for the people," we went back to work. We let who would rule us, and somehow or other it has happened that those men have come into power who see

in government,—what Kings see, Sire,—a source, not of common, equal justice for all, but of special advantages for the few; and, like the Kings of old, they have made of our government not a safeguard of the free growth of human character, but an agency for the development of the resources of the country. The United States of America stands for business, not men, Sire; our representative democracy represents not the people, but the protected business of a few of the people. And protected business is—privilege. Wherefore, the while your subjects are studying our first great revolution, I offer your Majesty this study of the second, the greater revolution which followed after the first was all over.

And there is more than hope for your future in this book, Sire. There is present peace therein for you and for your people. There is proof in it that the horrid conflict that has been waging between your Majesty and your Majesty's subjects is entirely unnecessary. Incredible? Let us consider together a moment, you on the edge of your uneasy* throne, I on mine, you a falling sovereign, I a falling sovereign citizen—let us peer into the darkness of your land with the light from mine. What is the issue between you and your would-be citizens?

Your Majesty seems to wish to rule, you alone. Your people are demanding representation in your government. Apparently you both regard your purposes as cross and incompatible. They are not so. Read my book and you will see that we Americans have what we call “representative democracy”; but we have Czars, too. It is true we do not call them by that title; we call them bosses. But names

and titles, like forms and charters, are intended to deceive men, not the rulers of men, and our bosses are autocrats, Sire, as you are; no more so, but no less. They make our representatives represent them, and we, satisfied with the appearance of things, are not only a contented people, we are proud; nay, we Americans are conceited about our government, which is not ours at all. And your Russians, seeing our forms and hearing our boastings, are covetous of our "liberty"; and they are demanding of your Majesty a share in your government. Sire, give it them. Study our Czars, and fear not.

But, you may object, we Americans have many Czars, and you desire for Russia one alone. To which I answer, Sire, that we also shall have but one boss. Our second revolution is not yet over; the structure of our government, the actual government, is not quite finished. For we are a conservative people, and very busy. We have had but little time for politics. Our boss system, which was founded in the cities, towns, and counties, has been developed only through our States so far. But our State bosses send themselves to the United States Senate, and there the tendency plain is to complete and perfect the autocracy with a national boss. Already the Senate has a thing called "the steering committee," which corresponds roughly to your cabal of Grand Dukes, with a certain Senator Aldrich for "leader." Now the natural jealousy of autocratic men may retard the process somewhat, but, if things go on as they have been going, some Aldrich some day is bound to become the acknowledged political boss of the United States. For, with the Senators controlling the Congress-

men from their States, the Boss-Senator will have finally only the President to reduce to his will. This he can do either by having his national party nominate him or a colleague for that office—as was proposed in the case of the late Senator Hanna; or, better still, by choosing for candidates weak and amiable creatures known to us as “safe men.” This is the way “our” governors of States, who once ranked United States Senators, have been reduced to figureheads, and it works very well with the people. Man’s self-respect has ever been allayed with a fig leaf, as all wise rulers know, and I have seen my people elect, in New York, for instance, a Mayor McClellan when nothing could induce them to vote for his Boss Murphy. This has been done with the Presidency, and it will undoubtedly be done again. Indeed, this same Mayor McClellan has been talked of for that high office. Oh, mistakes are made, of course. Strong men will slip in now and then, but with a strong hold on the representative branch of a representative government, all the actual boss has to do is to cry out against “the encroachment of the executive upon the representatives of the people,” the while he “cajoles” or “checks,” “advises” or “rebukes,” “humiliates” or finally “fights” the President as “a dangerous man.” If it comes to the worst, you can stand pat and wait for the strong President to retire; his term is four years, a Senator’s is six; and whereas the President may serve only two terms, the Senate goes on forever. So, Sire, while your people see only our House of Representatives and find inspiration in it, I invite you to look into our Senate and be of good cheer. The United States Senate will show

you that autocracy is not only compatible with a representative government; many intelligent United States Senators will tell you that a Czar is an inevitable consequence thereof.

“Ah, yes,” your Majesty may say, “but the American Czar will not wholly represent himself. He will derive his authority, not from God and by heritage in his family, but from the State bosses, who derive from the bosses of cities and counties; wherefore he will have to share with them both his power and his profits.”

In all deference to your Majesty, I beg leave most respectfully to submit, that you, Sire, do not wholly represent yourself. Your Grand Dukes support you, as our Senators would support our senatorial Czar. Your royal uncles, cousins, brothers, friends—these divide your power with you, share your privileges; their cabal “counsels with you,” “advises”; they frighten, force, deceive—as we say in our democratic slang, your Grand Dukes “steer” you very much as our Senators play upon some of our Presidents. No, Sire, you are not absolute, and our Boss-Senator will not be absolute. An autocracy, in the literal sense of the word, is impossible. All governments are, at bottom, representative. The crucial question is, What do they represent? And so far as I can make out they all represent the same thing—privileges. Your Grand Dukes represent the vested interests and the privileged classes of Russian society, and, therefore, they are powerful; your Majesty represents the Grand Dukes, and, therefore, you are powerful. So our national boss, when he comes, will represent our Senators, who represent now, not

our States, nor the people of the States, but "graft," big business graft, which is our rough American word for what you call, more politely, privilege.

And, as for keeping the crown in your family, that can be arranged in the constitution. I notice that your Majesty seems to have a superstitious dread of the very word "constitution." Why? The thing is not so bad. A constitution has its uses. But your Majesty should be sure to draw the instrument and graciously grant it yourself to your people. They will take almost anything from your hands. If you resist until they have overthrown you, then, of course, Sire, they will write their own constitution, and, since there will be no Czar, they will leave you and the name out of the paper. Bosses will grow up among the people, and a boss will grow up among the bosses, and that boss will be the Czar. But that will not be his title, and you will not be the man. But all the people want is all that you dread, the word. Give them "a" constitution; let it bestow upon your subjects representation, let it give them almost anything, so long as it keeps for you the essence of power, which is control of the graft; see to it that you and your Grand Dukes can give pardon to criminals, license to vice, franchises to business men, exemption from taxation, appropriations to churches, charities, colleges, and schools; see to this, Sire, and you will have thereafter only to study the history (as it is not commonly written) of constitutional governments, monarchical, republican (in England, France, Germany, United States, etc.), to keep the crown and pass it down to your children throughout the generations. For even

if your foresight err and you make mistakes in the instrument, your judges will correct then. Courts are made up of lawyers; lawyers are trained to revere not rights, but property and possession; not justice, but the law, and not the spirit of the law, but the technicalities and holes therein; if you represent property and the law, your judges intuitively will mold that constitution to your security. Sire, a constitution is not only an innocent gratification to a people; shrewdly interpreted by corporation lawyers, or, as you might say, by King's counsel, a constitution may become the bulwark of the rulers of a people.

It is a pity that your constitution may come out of a (bloody) revolution. You should have avoided that as you would a bomb. How? By the suffrage. Oh, I can understand your horror of that word. The ballot is sovereign power, of course, and to give it to a people is like surrendering to them the crown. But, if your people insist upon it, grant it, Sire. They do not really want it; my people don't. If you gave it to them, they wouldn't know how to use it; my people don't. Your people know only that they are miserable, that something or other is wrong; and their leaders are telling them that what they want is the suffrage and a government representative of all the people. And their leaders are right in a way. But my people are discontented, too, just now. They also feel that something is wrong, and I, having investigated their complaints, am convinced that what we Americans lack and need is a government representative of all the people; not of graft, not of the few who get things out of the government, but those among us—a majority, I think—who want only

justice and fair play. But the American people do not think so. They don't require that their representatives shall represent them. I hear them say that this representative or that one is dishonest, that he is a grafter or takes bribes; never that he represents corruption. Citizens tell me that this legislature is corrupt, and that the last one was, and the one before that; they don't see that their legislature represents normally and systematically the sources of the corruption of the State. Sometimes they sigh for "honest men in office," rarely for true representatives. Sire, I have yet to find what we call a "good average American citizen" demanding representative government in America. He thinks he has that, and he has, on paper, in his constitution, but, you see, Sire, he doesn't really know the difference.

Lest you should find this difficult to believe, I will give you an example from my own city, New York. New York is the metropolis of America; that you know. But you may not know so well as we New Yorkers do that everybody in America who amounts to anything at all comes to New York, so that this great city contains about all the intelligence there is in the land, especially of political intelligence. Queer men and cranky notions spring up in the back country, but nothing that happens out of New York or,—to be well within the truth, let us say—nothing that happens west of "the East" is typical. Well, some time ago the Pennsylvania Railroad wished to get into New York by an underground route. The Pennsylvania Railroad has corrupted every city and State that it ever has entered; to admit it into New York was just like open-

ing the gates to a revolutionary army, except that the invaders carried bribes instead of guns. No matter. We are after business now, not character and liberty; and another railroad terminal would help business. So we wanted the road to come in. Our Board of Aldermen, which is the representative branch of our city government, represented graft, of course, and it wanted to boodle with the Pennsylvania boodlers, of course. So our representatives wouldn't let the Pennsylvania Railroad in unless the "Penn," as we call the road affectionately, would out-boodle the old boodlers, the older roads that were in. Naturally we got "mad," we, the people of New York. Now what do you think we did? We went to the State legislature. This legislature is forever interfering with us, and we are forever shouting to it to keep off, leave us alone, and give us "home rule." Yet we went to that Legislature, and with the cry "home rule" on our lips asked that Legislature to take away from the representative branch of our government the power to represent us in the matter of franchises. I say "we" advisedly. The leader in this movement was a club to which I belong. This club is to New York what New York is to the United States—the cream of the cream of political intelligence and civic righteousness. There are other groups of reformers, and we, of my club, though firm, are very tolerant and kind to them. But we are the real people. Now it never occurred to us to *make* those aldermen represent us. Out in Chicago, when the reformers saw that their council was selling them out, they went into the wards and they explained to the people what the matter was, and they appealed to the people to elect men who

could be trusted to represent them. This was democratic instinct, and the people of Chicago responded to the appeal, but, you see, this was "out West"; and queer. We in New York, we of the East, we believe not in the people. Like you, Sire, we believe in ourselves. So we went not to the people; we went to the representatives of the State and we asked them to destroy the power of our representatives to misrepresent us in the city. The Pennsylvania helped us, of course, but we Home Rulers think we did it; and we did.

Sire, the American citizen does not understand self- or representative government, and does not demand it. He wants—what do you think the American people are asking their Czars or bosses for? Your Majesty never would guess it; no crowned sovereign would. The American people are asking for "good government." All they mean by this is clean streets, well lighted and honestly policed by a police force which, if it must blackmail vice and protect crime, shall do so quietly so as not to annoy and scandalize the good folk. Oh, there are a few other things that we would like to have; I cannot go into details. I assure your Majesty, however, that we ask nothing that a boss or a Czar cannot grant without interfering with autocracy. Wherefore, I declare, Sire, that your people really want not self-government, not "liberty" and "freedom," and all that nonsense, but only the appearance of justice and an orderly administration of public affairs, and especially of those which they come in contact with and which contribute to their comfort and business prosperity.

And if you don't care to give them these trifling favors, you need not; they will not use the suffrage on you unless you exasperate them beyond endurance, and then only when some "demagogue" stirs them up. Why, about a year ago, the good people of Philadelphia, having been offended because "their" police protected a terribly vicious practice against young immigrant girls, prayed to God to move their Mayor to stop this one scandal. Yes, Sire, with their ballots in their hands, so to speak, these American citizens sent up their petition to Heaven. Why not to the Mayor? Your Majesty has heard about the "right of petition"; your subjects were asking for that a year ago, I believe. They think we have it, and we have, some of us. But the boss of Philadelphia took it away from Philadelphians two or three years back—as you may take it away from your people, after the clamor for it dies. The Philadelphians have recovered it since, but only by the way. The boss, having committed outrage after outrage, and having seen his subjects submit to them, not only with patience, but with apologies for him, he and his Grand Dukes (leading business men) came to have for them just such a contempt as, let me say, some of your Grand Dukes have for your muziks. The boss wanted to sell out the future of a great privilege—the operation of the municipal gas plant for the private profit for three generations of his favorite Grand Dukes. All might have gone well, but "a yellow newspaper" (a demagogic sheet that tells the truth with some errors of fact) aroused the people, and they revolted. They went to the Mayor; he was one of those mistakes I mentioned above; selected by

the boss as safe, he stood for the people when they stood for themselves, and, of course, that stopped the deal.

Such a demonstration of the power of the American citizen may seem startling to you, but, look at the thing cold and hard; what was it? It was only just such a revolt by the mob as you have to meet in your cities now and then. It has, and can have, no significance as to the suffrage until those people learn to use the suffrage regularly, not only when exasperated, but in cold blood. And if they do that, you can take the suffrage away from them. The bosses of Philadelphia, Denver, Rhode Island, and of many other cities and States, have done that in this country, and the people do not rise up and fight to keep it, as yours may fight to get it. In Washington the whole citizen body was disfranchised, and the people down there did not resist. They consented, and they tell me they like it. "We have good government," they say.

You must understand, Sire, that it is a great deal of trouble to vote. Sometimes elections occur as often as once a year, and then your ballot has a lot of strange names on it. When your people first get the suffrage it will be like a new toy to them; they will have heard that it makes the difference between a subject and a citizen, and that it is a great privilege to exercise a sovereign citizen's right to vote. Their leaders will have told them this, and they will send these leaders up to you to represent them. For a while you will suffer from representative government. But by and by the leaders will begin to want, not liberty and other abstractions, but franchises, offices, and other good things; and as for the people, they will get tired of the

game. Inspired by the illusion of freedom, your subjects are busy now with politics, but if you give them paper patterns of the things they think they want, they will go to work; they will work joyously and hard, and the country will enjoy prosperity.

Prosperity is a tremendous help in the suppression of a people's public spirit, and you must take care of that. Some time I may describe, if your Majesty is interested, how our rulers have nursed our prosperity and used it to make us "stand pat." For the present, I assure you that with prosperity your people, like mine, will become absorbed in business, and then, Sire, you can buy their leaders. Thus "their" representative government will represent you; you, Sire, and the grafters. What? Oh, yes, they will, the leaders of the people will sell them out; at least, they do with us. They call it "business," and we call them "smart." Your Majesty despises business; the aristocracies of Europe all look down on "shop-keepers," and I can understand why. But this is a mistake. "Business" is a word to conjure with; business is a means to your end. I saw in the papers February, last year, that when your people appeared in the streets of St. Petersburg with a petition which they wished to present to you, you sent your Cossacks to shoot them down. That was unnecessary. Our business method is more business-like. If you had sent lobbyists to them, with bribes (or fees, or presents; the word is important) for the leaders, you would have got the the same result, and not only would you have caused no pain, no scandal; you would have given pleasure and the world would have admired you. At any rate this part of

the world would. Bribes, Sire, are much better than bullets. They are so pleasant that even the voters like them. Yes, indeed, in a great many of our States and cities, especially in good old American communities, our voters sell their votes. True, bribery is expensive, and though the voters are cheap (one dollar up to thirty, a head) it is a waste to spend cash on the voters. Our method is to use words, promises, names.

Our leaders, partly for convenience and partly to keep down expenses, divide us into what they call parties. To these parties they give attractive names like "Republican" and "Democratic"; they tell us they are "our" parties, and they do announce principles or platforms which seem to differ somewhat as to policy. But really both of them represent graft and the grafters. We, the people, however, are set to yelling and marching and arguing and fighting for "our" parties until we make ourselves believe that they really are ours. It is almost incredible, but I can assure your Majesty that it is possible to transfer a people's allegiance from their government to a party organization. Let me suggest that you send over to the United States a Commissioner. I will show him great majorities of American citizens who know no loyalty to their city, their State, the nation, or even to themselves, but only to "their party." Just now we are growing tired of this sentiment also, and an "independent vote" is disturbing our political situation. You can see what a menace that is, but I mention it only to show you the very best feature of the suffrage, *viz.*, how it prevents revolutions.

I assume that you would be "above party"; our rulers

are. They contribute to both party funds; as I assume you would. In that case, when your people rose up, not as in Philadelphia with mob violence, but with genuine determination at the polls, even then, Sire, they would see only the especially atrocious sins of the particular men your majority party had put in office to hide the operations of yourself and your (popular) leaders. These independent voters would vote out these men. Suppose they went further and voted against the party, against the whole party ticket, what of it? They would have to vote for your other party, wouldn't they? Of course, if they should keep this up for a number of elections they would make both parties represent them, and then the government would come to represent them. But they won't keep it up; at least my people don't. A "landslide," as we call such uprisings, simply has the effect of letting off the feelings of the people; they go back to their business and things remain as bad—I mean as good—as before. Your other party represents you; it proves to be "just as bad as 'the' party," so we, the people, give up in despair.

In other words, Sire, with the suffrage, what you and your Grand Dukes dread as revolutions would become what in our free country we know as reform movements. Reform movements serve to perfect the boss system of graft. The people soon realize this, so instead of trying to recover self-government they quit and submit. For, imagine a moment: If your people had a constitution, representative government (on paper), and the self-responsibility that appears to go with the ballot, what more could they ask of you?

“A free press,” you say. Your people are asking for that and you think it is awful. You think you need your official censor to keep the newspapers from telling the people the truth? Not at all. We have a free press, but we have a censorship, too. Our Grand Dukes wait until a newspaper has the confidence of the public, then they buy the property. The people don’t know the difference. The Grand Duke “directs the policy,” but there is no official censor, so the people go on calling it “their paper.” Our free press prints the news, Sire.

“Free speech?” I would give them that, too, if I were in your place. That means only surrendering your right to send orators to Siberia, and such drastic measures are all out of date. After you write the words “freedom of speech” into the constitution all you have to do is to keep men boasting of their liberty and showing off their courage, while in a hundred little ways you encourage “society” to discourage “demagogery,” “sensationalism,” etc. Men are natural cowards; the rulers of the race have taught them, however, to face bullets and defy death and torture. Physical courage we have, and so have your people. But try ridicule, Sire, or the frown of their own leaders; if that isn’t sufficient, have some of their business taken away. That will settle freedom of speech. At any rate it often settles it in my own country. Why, I know cities where men have suffered from a tyranny as great as yours—except as to physical injury—and these same men have asked me into their private offices to tell me the truth; yet were they afraid to speak. Afraid of what? They were afraid, Czar, of their Czar!

And, saving your Majesty's feelings, I wish to add one more observation: I am not talking about a down-trodden, ignorant, half-barbarous people like your poor Russians. My advice to you is founded upon what I have seen among the American people, the proudest, the bravest, the most enlightened—the greatest nation of men and women that ever trod upon this earth. Now, it may just be that they will turn around some day and take back their government and rule themselves. I can see signs of the dawn of political intelligence here and there and now and then. But I am afraid they will be satisfied again with clean streets, and a “good man for Mayor,” or the promise of “good government” from some boss wiser than any we yet have had. And if you will read our history you also will doubt the promises of reformers who are afraid to hurt business. I expect to see the people get tired of “exposure” and seek a more “optimistic” prospect than the everlasting effort, which is what self-government means.

But, Sire, even if I am wrong, you are safe. For your people are several hundred years behind mine, and they have still to go through what mine have gone through, so that I feel that I can offer you for your peace and for the peace of your subjects, in these your days of sore trouble, this assurance dug up out of the depths of the land of the free:

Your Majesty may grant all that your people ask, and more,—representative government and a constitution, free speech and a free press, education and the suffrage,—and yet you may rule them as you rule them now, absolutely

and with little more heed to their best interest. For have I not shown, Sire, that we, the great American people, have all that we want of all of these things, and that, nevertheless, our government differs from yours—in essentials—not so much as you thought, not so much as your people think, and not nearly so much as my people think?

LINCOLN STEFFENS.

THE STRUGGLE FOR SELF-GOVERNMENT

FOLK'S FIGHT FOR MISSOURI

SHOWING HOW, TO BEAT THE BOODLE SYSTEM OF
ST. LOUIS, THE PEOPLE HAD TO CHALLENGE
THE SAME SYSTEM IN THE STATE

(April, 1904)

EVERY time I attempted¹ to trace to its sources the political corruption of a city ring, the stream of pollution branched off in the most unexpected directions and spread out in a network of veins and arteries so complex that hardly any part of the body politic seemed clear of it. It flowed out of the majority party into the minority; out of politics into vice and crime; out of business into politics, and back into business; from the boss, down through the police to the prostitute, and up through the practice of law into the courts; and big throbbing arteries ran out through the country over the State to the Nation—and back. No wonder cities can't get municipal reform! No wonder Minneapolis, having cleaned out its police ring of vice grafters, discovered boodle in the council! No wonder Chicago, with council-reform and boodle beaten, found itself a Minneapolis of police and administrative graft! No wonder Pittsburg, when it broke out of its local ring, fell, amazed, into a State ring! No wonder New York, with good government under Mayor Seth Low, voted itself back into Tammany Hall!

¹ See "The Shame of the Cities," McClure, Phillips & Co.

4 STRUGGLE FOR SELF-GOVERNMENT

They are on the wrong track; we are, all of us, on the wrong track. You can't reform a city by reforming part of it. You can't reform a city alone. You can't reform politics alone. And as for corruption and the understanding thereof, we cannot run 'round and 'round in municipal rings and understand ring corruption; it isn't a ring thing. We cannot remain in one city, or ten, and comprehend municipal corruption; it isn't a local thing. We cannot "stick to a party," and follow party corruption; it isn't a partisan thing. And I have found that I cannot confine myself to politics and grasp all the ramifications of political corruption. It isn't political corruption. It's corruption. The corruption of our American politics is our American corruption, political, but financial and industrial, too. Miss Tarbell has shown it in the trust, Mr. Baker in the labor union, and my gropings into the misgovernment of cities have drawn me everywhere, but, always, always out of politics into business, and out of the cities into the State. Business started the corruption of politics in Pittsburg; upheld it in Philadelphia; boomed with it in Chicago and withered with its reform; and in New York, business financed the return of Tammany Hall. Here, then, is our guide out of the labyrinth. Not the political ring, but big business—that is the crux of the situation. Our political corruption is a system, a regularly established custom of the country, by which our political leaders are hired, by bribery, by the license to loot, and by quiet moral support, to conduct the government of city, State and Nation, not for the common good, but for the special interests of private

business. Not the politician, then, not the bribe-taker, but the bribe-giver, the man we are so proud of, our successful business man—he is the source and sustenance of our bad government. The captain of industry is the man to catch. His is the trail to follow.

We have struck that trail before. Whenever we followed the successful politician, his tracks led us into it, but also they led us out of the cities—from Pittsburg to the State Legislature at Harrisburg; from Philadelphia, through Pennsylvania, to the National Legislature at Washington. To go on was to go into State and National politics, and I was after the political corruption of the city ring then. Now I know that these are all one. The trail of the political leader and the trail of the commercial leader are parallels which mark the plain, main road that leads off the dead level of the cities, up through the States into the United States, out of the political ring into the System, the living System of our actual government. The highway of corruption is the “road to success.”

Almost any State would start us right, but Missouri is the most promising. Joseph W. Folk, the Circuit Attorney of St. Louis, has not only laid wide open the road out there; he knows it is the way of a system. He didn't at first. He, too, thought he was fighting political corruption, and that the whole of it was the St. Louis ring. But he got the ring. Mr. Folk convicted the boss and nearly all the members of the “boodle combine” that was selling out his city; yet the ring does not break. Why? Because back of the boodlers stand the big business men who are buying the city up. But Folk got the

6 STRUGGLE FOR SELF-GOVERNMENT

business men, too; Charles H. Turner, president of the Suburban Railway Company, president of the Commonwealth Trust Company; Philip Stock, secretary of the St. Louis Brewery Association; Ellis Wainwright, the millionaire brewer; George J. Kobusch, president of the St. Louis Car Company; Robert N. Snyder, banker and promoter, of Kansas City and New York; John Scullen, ex-president of street railways, a director then and now of steam railways, a director then and to the end of the Louisiana Purchase Exposition. These are not "low-down politicians"; they are "respectable business men." Having discovered early that boodlers flew in pairs; that wherever there was a bribe-taker there also was a bribe-giver, Folk hunted them in pairs. And in pairs he brought them down. And still the ring does not break. What is the matter?

That's what's the matter. "That man Folk" is attacking the System. If he had confined his chase to that unprotected bird, the petty boodler, all might have been well. Indeed, there was a time, just before the first trial of the boss, Colonel Ed Butler, when the ring was in a panic and everybody ran. If he had stayed his hand then, Folk could have been Governor of Missouri with the consent of "his party," and a very rich man besides. But he would not stop. These were not the things he was after. At that moment he was after Boss Butler; and he got him.

"And the conviction of Butler was the point," he said, "where we passed out of the ring into the System."

Butler was not only the boss of the ring; he was the tool of the System. He was the man through whom the

St. Louis business man did business with the combine, and Folk hadn't caught all the business men involved. The first time I met him, early in his work, he was puzzled by the opposition or silence of officials and citizens, who, he thought, should have been on his side. The next time I saw him this mystery was clearing. One by one those people were turning up in this deal or 'way back of that one. He could not reach them; he can never reach them all; but there they were, they, their relatives, their friends, their lawyers, their business and social associates—"nobody can realize," said Mr. Folk, "the infinite ramifications of this thing." "They," "this thing," the "vested interests" of St. Louis, are the St. Louis System.

Corruption was saved, not ended, by the very thoroughness of Mr. Folk. The ring was rallied, not smashed, by his conviction of its boss. The boodlers who had wanted to turn state's evidence "stood pat." Why? They had an assurance, they said, that "not one of them would go to the pen." Who made this promise? Butler. Ed Butler, himself sentenced to three years in the penitentiary, gave this explicit assurance, and he added (this was last summer) that "the courts will reverse all Folk's cases, and, when Folk's term expires, we will all get off, and the fellows that have peached will go to jail." Maybe Butler lied; some of the politicians said that it would be "bad politics" to reverse "all Folk's cases," and that some, possibly Butler's own, would have to be affirmed. Butler, however, was not afraid, and, sure enough, in December his case was reversed. All the boodle cases so far have been reversed. Not a boodler is in jail to-day (January

8 STRUGGLE FOR SELF-GOVERNMENT

22, 1904), and the same court gave a ruling which made it necessary for Folk to reindict and retry half a dozen of his cases. The boodlers are a power in politics. Butler sits in the councils of the Democratic party. He sat there with the business men and with the new, young leaders who drew up the last platform, which made no mention of boodle, and he assisted in the naming of the tickets. After the last election, Butler was able to reorganize the new House of Delegates, with his man for Speaker, and the superintendent of his garbage plant (in the interest of which he offered the bribe for which he was convicted) for chairman of the Sanitary Committee. But the nominations he had helped to make were not only those of aldermen, but of the candidates for the vacancies on the bench which was to try boodle cases, and also for that court which was to hear these cases, and his own, on appeal! And the presiding justice of this, the criminal branch of the Supreme Court of Missouri, went upon the stump last fall and declared that a man who thought as Mr. Folk thought, and did as Mr. Folk did, had better leave the State!

Appalling? It did not appall Mr. Folk. He realized then that it was a System, not the ring, that he was fighting, and he went after that. There was another way into it. One Charles Kratz, the head of the council combine, did business, like Butler, with and for business men. Kratz fled to Mexico with means supplied by his business backers, but Mr. Folk used the good offices of the President and the Secretary of State to get the man back. And he succeeded; he had Kratz brought back. The hope was that Kratz would confess and deliver up his principals. The

other boodlers, however, received Kratz with a champagne dinner, and he also stood pat. But even if Kratz should surrender, and even if Folk thus were to smash the Butler ring and catch not five or six, but fifty, of the captains of industry behind it—still, I believe, the System would stand. Why? Because “this thing” is more than men, and bigger than St. Louis.

All the while Mr. Folk was probing the city he kept an eye on the State. It was out of his jurisdiction, but it affected his work. Some of the silent opposition he encountered came from State officials, and the court which was inspiring so much faith in boodlers was a State court. These officials were not implicated in his exposures, and these judges were honest men, but the State Legislature, at Jefferson City, sent forth significant rumors, and about these Folk gossiped with the St. Louis boodlers, who explained that corruption was an ancient custom of the State. Helpless, but informed, Folk watched and waited, till at last his chance came.

One day in February, 1903, when a bill in which the Speaker of the House was interested failed of passage, that officer left his chair in anger, saying, “There is boodle in this.” The House was disturbed. Folk’s work had opened the public mind to suspicion, and the newspapers were alert. Investigations were ordered, one by the House Committee, which found nothing; another by a Jefferson City Grand Jury, which resulted in a statement by Circuit Attorney R. P. Stone that it was all “hot air” and that, anyhow, he had no ambition “to become a second Folk.” (Stone was indicted himself afterward.)

10 STRUGGLE FOR SELF-GOVERNMENT

Then the Governor directed Attorney-General E. C. Crow to take charge, and Crow took charge. Picking Lieutenant-Governor Lee for a weakling, he concentrated on him. Lee was telling things, bit by bit, but he kept denying them, and the jury was uneasy and reluctant. The outcome of the inquiry was in doubt in Jefferson City, when Mr. Folk heard that "floating all around town" were a lot of thousand-dollar bribe bills which were distributed at the Laclede Hotel. The Laclede Hotel is in St. Louis, and St. Louis is Folk's bailiwick. Folk jumped in. He traced the bills, and, in a jiffy, he had the whole inside story: He gave out an interview directed at Lieutenant-Governor Lee, who saw it; saw, he said, "that Folk had him," and ran to Attorney-General Crow to confess. Changing his mind, he fled the State, but Folk gave out another interview that brought him back. Meeting and agreeing on a course, Folk and Crow worked together. They got Lee's confession in full, and his resignation of the Lieutenant-Governorship; and with all this for a lever, they opened the mouths of other legislators. Indictments followed, and trials; Crow took all the evidence and carried on the dull, slow trials, which we need not follow.

The lid was off Missouri. The stone Mr. Folk had had so long to leave unturned was lifted. What was under it? Squirming in the light and writhing off into their dark holes were State Senators and State officers, State committee-men and party leaders, but also there were the Western Union Telegraph Company, the Missouri Pacific Railroad, the St. Louis and San Francisco, the Iron Mountain and Southern, the Wabash; Mr. Folk's old friend,

the St. Louis Transit Company; the breweries, the stock yards, the telephone companies; business men of St. Louis, St. Joseph, and Kansas City—the big business of the whole State. There they were, the “contemptible” bribe-taker and the very “respectable” bribe-giver, all doing business together. So they still traveled in pairs; and the highway still lay between the deadly parallels—business and politics. The System was indeed bigger than St. Louis; it was the System of Missouri.

What, then, is the system of Missouri? The outlines of it can be traced through the “confessions of State Senators which,” Folk’s grand jury said, “appall and astound us as citizens of this State. Our investigations,” they added, “have gone back twelve years, and during that time the evidence shows that corruption has been the usual and accepted thing in State legislation, and that, too, without interference or hindrance. . . . We have beheld with shame and humiliation the violation of the sacred trust reposed by the people in their public servants.”

Just as in the city, the System in the State was corruption settled into a “custom of the country”; betrayal of trust established as the form of government. The people elect, to govern for them, representatives who are to care for the common interest of all. But the confessing Senators confessed that they were paid by a lobby to serve special interests. Naturally enough, the jurors, good citizens, were incensed especially at the public servants “who sold them out.” But who did the buying? Who are the lobby? The confessions name Colonel William H. Phelps,

12 STRUGGLE FOR SELF-GOVERNMENT

John J. Carroll, and others, lawyers and citizens of standing at the bar and in the State, and they were the agents of the commanding business enterprises of the State. Moreover, they were aggressive corruptionists. You hear business men say that they are blackmailed, that the politicians are corrupt, and that the "better people" *have* to pay.

Colonel Phelps, an officer of the Missouri Pacific, and the lobbyist of the Gould interests, has said that he had to exercise great cunning to keep the Legislature corrupt. New legislators often bothered him, especially "honest men," Senators who would not take money. Sometimes he "got" them with passes, which was cheap, but not sure, so he had been compelled sometimes actually to "rape" some men, as he did Senator Fred Busche, of St. Louis.

Busche is himself a business man, a well-to-do pie-baker, and he went to Jefferson City full of high purpose and patriotic sentiment, he said. Among the measures up for passage was a bill to require all railways to keep a flagman at all crossings. It was a "strike" bill. Phelps himself had had it introduced, to prove his usefulness in killing it, perhaps, or to raise money for himself and his pals. (The corrupt corporations are often cheated by their corrupt agents.) At any rate, Phelps asked Busche to vote against the bill, and Busche did so. A day or two later Phelps came up to Busche, thrust a hundred-dollar bill into his pocket, then hurried away and remained out of sight till Busche had become reconciled to the money. "After that," Busche added, "Phelps had me." Busche accepted a regular salary of \$500 a session from the rail-

road lobbyist, and other bribes: \$500 on the St. Louis transit bill, \$500 on an excise bill, etc. He estimated that he had made corruptly some \$15,000 during his twelve years.

Phelps put Busche into the "Senate Combine," which is just such a non-partisan group of a controlling majority as that which Colonel Butler wielded in the municipal legislature councils of St. Louis. Butler, however, was a boss; Phelps is not. There is no boss of Missouri as there is of New York, Pennsylvania, and other more advanced States. Phelps is the king of the lobby, and the lobby rules by force of corruption. The lobbyists, representing different special business interests, bought among them a majority of the legislators, organized the Senate, ran dominant committees, and thus controlled legislation. You could do business with any lobbyist, and have the service, usually, of all, or you could deal with a member of the combine. Indeed, the "combine" was free to drum up trade when times were dull, and Mr. Folk quotes a telegram from a member sent on such a mission to St. Louis: "River rising fast," it said. "Driftwood coming down. Be there to-morrow."

"Driftwood" was boodle bills for business men, and some of it was blackmail, but it was all irregular. The regular business was more businesslike. The "combine" was only the chief instrument of the lobby and was made up of dishonest legislators. The lobby controlled also the honest men. For these belonged to their party. The corporations and big businesses contribute to all campaign funds, and this is the first step toward corruption every-

14 STRUGGLE FOR SELF-GOVERNMENT

where. It is wholesale bribery, and it buys the honest legislator. He may want to vote against the "combine," but the lobby serves the party as well as business, and the "State Committee" has to "stand in." That is the way the Democratic party got control of the police and election machinery of Missouri cities and forced those normally Republican communities into the Democratic line. The lobby delivers the dishonest votes. In return for such services and for the campaign contributions, the State Committee of the dominant Democratic party has to deliver the honest votes, and often, too, the Governor of the State. As for the minority party, the Republicans in Missouri are like the minority everywhere: just as corrupt and more hungry than the majority. Disrupted by quarrels over the Federal patronage, the Republican legislators follow the Democrats for more, for dribblets of graft, and the first Senator convicted by Crow was a Republican.

There is nothing partisan about graft. Only the people are loyal to party. The "hated" trusts, all big grafters, go with the majority. In Democratic Missouri, the Democracy is the party of "capital." The Democratic political leaders, crying "down with trusts," corner the voters like wheat, form a political trust, and sell out the sovereignty of the people to the corporation lobby. And the lobby runs the State, not only in the interest of its principals, but against the interest of the people. Once, when an election bill was up—the bill to turn over the cities to the Democrats—citizens of Kansas City, Democrats among them, had to hire a lobbyist to fight it, and when this lobbyist found that the interest of his corpora-

tions required the passage of the bill, he sent back his fee with an explanation. And this story was told me as an example of the honesty of that lobbyist! Lieutenant-Governor Lee in his confession gave another such example. Public opinion forced out of committee, and was driving through the Senate, a bill to put a just tax on the franchises of public service corporations. The lobby dared not stop it. But Colonel Phelps took one day "his accustomed place" behind a curtain back of the Lieutenant-Governor's chair, and he wrote out amendment after amendment, passed them to Senator Frank Farris, who introduced them, and the lobby put them through, so that the bill passed, "smothered to death."

When Lieutenant-Governor Lee drew aside that curtain he revealed the real head of the government of Missouri. I mean this literally. I mean that this system I have been describing is a form of government; it *is* the government. We must not be confused by constitutions and charters. The constitution of Missouri describes a Governor and his duties, a Legislature and the powers lodged in a Senate and a House of Representatives, etc., etc. This is the paper government. In Missouri this paper government has been superseded by an actual government, and this government is:—a lobby, with a combine of legislators, the Democratic State Committee, and State leaders and city bosses for agents. One bribe, two bribes, a hundred bribes might not be so bad, but what we have seen here is a System of bribery, corruption installed as the motive, the purpose, the spirit of a State government. A revolution had happened. Bribes, not bullets, were spent in it,

16 STRUGGLE FOR SELF-GOVERNMENT

and the fighting was slow and quiet, but victory seemed sure; the bribe-takers were betraying the government of the people to an oligarchy of bribe-givers, when Joseph Folk realized the truth.

"Bribery," he declared, "is treason, and a boodler is a traitor."

"Bosh!" cried the lawyers. "Poppy-cock," the cynics sneered, and the courts ruled out the cases. "Bribery," said Judge Priest, at the trial of the banker, Snyder, "is, at the most, a conventional crime." "Corruption is an occasional offense," the ring orators proclaim, but they answer themselves, for they say also, "corruption is not a vice only of Missouri, it is everywhere."

"It is everywhere," Folk answers, and because he has realized that, because he realized that boodling is the custom and that the "occasional" boodler who sells his vote is selling the State and altering the very form of our government, he has declared boodle to be a political issue. And because the people do not see it so, and because he saw that no matter how many individual boodlers he might catch, he, the Circuit Attorney of St. Louis, could not stop boodling even in St. Louis, Mr. Folk announced himself a candidate for Governor, and is now appealing his case to the people, who alone can stop it. His party shrieked and raged, but because it is his party, because he thinks his party is the party of the people, and because his party is the responsible, the boodle, party in his State, he made the issue first in his own party. He has asked his people to take back the control of it and clean it up.

Thus, at last, is raised in St. Louis and Missouri the

plain, great question: Do the people rule? Will they, can they, rule? And the answer of Missouri will be national in importance. Both the Democracy and democracy are being put to the test out there.

But Missouri cannot decide alone. "Corruption is everywhere." The highway of corruption which Folk has taken as the road to political reform goes far beyond Missouri. When he and Attorney-General Crow lifted the lid off Missouri, they disturbed the lid over the United States, and they saw wiggling among their domestic industries and State officials, three "foreign trusts"—the American Sugar Refining Company, the American Book Company, and the Royal Baking Powder Company. These are national concerns; they operate all over the United States; and they are purely commercial enterprises with probably purely commercial methods. What they do, therefore, is business pure and simple; their way will be the way of business. But off behind them slunk a United States Senator, the Honorable William J. Stone. He was on the same road. So they still run in pairs, and the road to success still lies between the two parallels, and it leads straight to Washington, where, in political infinity, as it were, in that chamber of the bosses, the United States Senate, the parallels seem to meet. Are the corrupt customs of Missouri the custom of the country? Are the methods of its politics the methods of Business? Isn't the System of that State the System of the United States? Let us see.

Among the letters of the confessed boodler, Lieutenant-Governor Lee, to his friend Daniel J. Kelly, are many references to his ambition to be Governor of the State.

18 STRUGGLE FOR SELF-GOVERNMENT

When Folk decided to run for that office the politicians were shocked at his "ambition"; he had not served the party, only the people. But Lee, whom they knew to be a boodler, was not regarded as presumptuous. He was a "possibility." And, in his first letter on the subject to Kelly, he asks how he can sell himself out in advance to two trusts. "Of course you can help me get a campaign fund together," he says, "and I will be grateful to you. . . . How would you tackle Sugar-Tobacco if you were me in the campaign-fund matter?" Kelly must have advised Lee to write direct, for the next letter is from H. O. Havemeyer, expressing "my hopes that your political aspirations will be realized," and adding, suggestively, "If I can be of any service I presume your representative will appear. (Signed) H. O. Havemeyer." Lee wanted Kelly to "appear," and there was some correspondence over a proposition to have the contribution made in the form of advertisements in Lee's two trade journals. But Lee "needed help badly, as the country papers must be taken care of," so he asks Kelly "to so present the case to Mr. H. that he will do some business with the papers and help me out personally besides. Do your best, old man," he pleads, "and ask Mr. H. to do his best. A lift in time is always the best." And Mr. H. did his best. Lee had arranged that Kelly was to see Havemeyer on both personal and business accounts, but the "personal" came by mail, and Lee wires Kelly to "drop personal matter and confine to advertising. Personal arranged by mail." And then we have this note of explanation to "Friend Kelly":

"The party sent me \$1,000 personally by mail. If you

do anything now it will be on the advertising basis. Truly and heartily, Lee."

Here we have a captain of industry taking a "little flyer" in a prospective governor of a State. Mr. Havemeyer probably despises Lee, but Mr. Havemeyer himself is not ashamed. Business men will understand that this is business. It may be bad in politics, but such an investment is "good business." And there is my point ready made: This "bad" politics of ours is "good" business.

A longer trail is that of William Ziegler; his business, the Royal Baking Powder Company; and the company's agent, Daniel J. Kelly. In Missouri they said Crow was "after" United States Senator Stone, but "they travel in pairs," so he had to begin with the business men, as Folk did. He indicted first Kelly, then Ziegler, for bribery. Lee, whose confession caused the indictment of Kelly, wired this warning: "D. J. Kelly: Your health being poor, brief recreation trip if taken would be greatly beneficial. James Sargent." Kelly took the recreation trip to Canada, and Ziegler, in New York, resisted extradition to Missouri for trial. The prospect was of a long lawyers' fight, the result of which need not be anticipated here. Our interest is in the business methods of this great commercial concern, the Royal Baking Powder "trust," and the secrets of the success of this captain of the baking-powder industry. And this, mind you, as a key to the understanding of "politics."

We have been getting into business by following politics. Now, for a change, we will follow a strictly business career and see that the accepted methods of business are the despised methods of politics, and that just as the trail

of the successful politician leads us into business, so the trail of the successful business man leads us into politics.

Ziegler's "success story" is that of the typical poor boy who began with nothing, and carved out a fortune of many, many millions. He was not handicapped with a college education and ethical theories. He went straight into business, as a drug-clerk, and he learned his morals from business. And he is a "good business man." This is no sneer. He told me the story of his life one night, not all, of course, for he knew what the purpose of my article was to be; but he told me enough so that I could see that if the story were set down—the daring enterprise, the patient study of details, and the work, the work, the terrible, killing work—if this all were related, as well as "the things a business man has to do," then, I say, the story of William Ziegler might do him, on the whole, honor as well as dishonor. But this, the inspiring side, of such stories, has been told again and again, and it does not give "our boys" all the secrets of success, and it does not explain the state either of our business or of our politics. I have no malice against Mr. Ziegler; I have a kind of liking for him, but so have I a liking for a lot of those kind, good fellows, the low-down politicians who sell us out to the Zieglers. They, too, are human, much more human than many a "better man." How often they have helped me to get the truth! But they do sell us out, and the "good business men" do buy us out. So William Ziegler, who also helped me, he, to me here, is only a type.

Ziegler went into the baking-powder business way back in 1868 with the Hoaglands, a firm of druggists at Fort

Wayne, Indiana. The young man mastered the business, technically as a pharmacist, commercially as a salesman. He fought for his share in the profit; he left them and established a competitive business to force his point, and in 1873 they let him in. So you see, Young Man, it isn't alone sobriety, industry, and honesty that make success, but battle, too. Ziegler organized the Royal Baking Powder Company in 1873, with himself as treasurer.

The business grew for three or four years, when it was discovered that alum and soda made a stronger leaven, and cheaper. Worse still, alum was plentiful. Anybody could go into its manufacture, and many did. The Royal, to control the cream of tartar industry, had contracted to take from European countries immense quantities of argol, the wine-lees from which cream of tartar is made. They had to go on making the more expensive baking-powder or break a contract. That would be "bad business."

So Ziegler was for war. His plan was to "fight alum." His associates, less daring than he, objected, but Ziegler won them over, and thus was begun the "Alum War," famous in chemistry, journalism, and legislation. Outsiders knew little about it, but they can find the spoils of Ziegler's battle in the bosom of their own family. Let any man in the North, East, and West, ask himself if he does not think "alum in food is bad"; if he can't answer, let him ask his wife. She will not know exactly why, but she is pretty sure to have a "general impression" that it is injurious in some way and that "the Royal is pure," "the best." This general impression was capitalized by Ziegler in 1898, at a valuation of many millions of dollars. He

22 STRUGGLE FOR SELF-GOVERNMENT

combined, in a trust, the Cleveland, Price, and Royal cream of tartar companies; their separate capitalization amounted to something over one million. The trust was capitalized at \$20,000,000.

Now, how did Ziegler plant this general impression which was sold as so much preferred and common stock? He began the war by hiring chemists to give "expert opinions" against alum and for cream of tartar. The alum people, in alarm, had to hire chemists to give opposite opinions for alum and against cream of tartar. What the merits of the chemical controversy are, no man can decide now. Hundreds of "eminent scientific men," chemists, physiologists, and doctors of medicine, have taken part in it, and there are respectable authorities on both sides. The Royal's array of experts, who say "alum is bad," is the greater, and they are right as to "alum in food." But that is a trick phrase. The alum people say, and truly, that the alum in baking-powder disappears in the bread, just as cream of tartar does, and that the whole question resolves itself into the effects on the human system of what is left. In the case of the alum, the residuum is hydrate of aluminum, of which Dr. Austin Flint, who experimented with Professor Peter F. Austin and Dr. E. E. Smith, says that it "is inert; has no effect upon the secretion of gastric juice, nor does it interfere with digestion; and it has no medicinal effects." On the other hand, the alum party say that the residuum of cream of tartar powder is "Rochelle salts, an irritant drug with purgative qualities." This the Royal overwhelmed with testimony, but Ziegler does not believe much in defense. He attacks. His was a war on

“impure food,” and his slogan was short and sharp: “alum, a poison.” That was all.

And that is enough for us. Our war is on “impure business,” and, whatever the truth is about alum and cream of tartar, the truth about Ziegler and the Royal Baking Powder is this: *they were making alum baking-powders themselves*. All the while Ziegler was buying those expert testimonials against it, he was manufacturing and selling alum baking-powder.

This, on his own testimony. He brought a suit once against the Hoaglands, his associates, and he wanted to show that he, not they, had made the business what it was; so he went upon the stand and swore that *he* started the alum war; *he* hired Dr. Mott, the first chemist, etc., etc. Listen, then, to this captain of industry confessing himself:

“I have heard the testimony about what is called the ‘alum war,’” he says. “I instituted it upon the part of the company. I employed Dr. Mott personally—it is possible that Mr. Hoagland may have made the money arrangement with him; I also visited other chemists and got certificates; I did all that business connected with the chemical part of the investigation, preparing the matter; I originated that matter; Mr. Joseph C. Hoagland bitterly opposed it; he said war on alum would injure the sale of all baking-powders; that it would bring all baking-powders into disrepute, and it was difficult for the public to tell an alum baking-powder from a cream of tartar powder.

“*We had also as a company been manufacturing alum baking-powder, which was in the market, not under our brand ‘Royal,’ but another brand. The theory was that*

24 STRUGGLE FOR SELF-GOVERNMENT

our competitors might get hold of some of that, analyze it, and show that we also manufactured alum baking-powder."

Nor is that all. Ziegler says he "got" the chemists. How he "got" them I don't know, but the company had at one time an ammonia skirmish. They were making ammonia baking-powder, and the alum people "showed them up," so Ziegler had to have ammonia testimonials from leading chemists, and he sent out for them.

"I got some myself," he testifies. "I went over and saw Professor Norton, who had given an adverse opinion. I got him to change his mind. He did not deny what he had said before, but he gave us something that answered our purpose."

"Answered our purpose!" There you have the equivalent in business of the political platform. The purpose answered in the alum war was advertisement. Having "got" the chemists' opinion, he had to turn that into public opinion, so he had to "get" the press. And he got the press, and his method of advertising fixed public opinion. How?

The Chamber of Commerce of Richmond, Va., recently "in seeking the source of a prejudice which once existed in the State [against alum baking-powder, which is a staple in the South] believes," it says, "that it is to be found in a comprehensive system of what may be called 'blind advertising' or 'reading notices' inaugurated years ago in the newspapers of the country by the Royal." The Chamber printed a sample contract:

Please publish articles as below, each one time, in Daily

and Weekly, as pure, straight reading, on top half of fifth page, set in the same size and style of type, and with the same style of heading as the pure reading adjoining, leaded or solid to correspond with such pure reading, to be surrounded by pure reading, and without date, mark or anything to designate them as paid matter; and with the express understanding that they are not at date of publication or afterward to be designated or classed by any article or advertisement in your paper as advertisements, or as paid for, or as emanating from us. Start with top one on list and publish, in same order, daily two days apart and weekly one week apart.

ROYAL BAKING POWDER CO.

This step paved the way to the publication of anything the Royal might want to say as news or as the disinterested opinion of the paper. They would get a case of poisoning, for example, have it investigated and reported in one newspaper, then they would send the clipping for publication to their other newspapers. Here is one:

From the Commercial-Appeal, Memphis, Tenn., Jan. 2, 1900.

SAID TO BE ALUM POISONING—SERIOUS CASE OF ILLNESS
REPORTED FROM THE USE OF IMPURE BAKING POWDER.

Johnstown (Pa.) Tribune.

The poisoning of the Thomas family, of Thomas Mill, Somerset County, four members of which were reported to have been made dangerously ill by impure baking powder used in making buckwheat cakes, has been further investigated.

The original can, with the remainder of the baking powder left over after mixing the cakes, was secured by Dr. Critchfield. The powder had been bought at a neighboring country store, and was one of the low-priced brands.

26 STRUGGLE FOR SELF-GOVERNMENT

Dr. Critchfield said that the patients had the symptoms of alum poisoning. As the same kind of baking powder is sold in many city groceries as well as country stores, Dr. Critchfield thought it important that a chemical examination should be made to determine its ingredients. He therefore transferred the package of powder to Dr. Schill, of this city, for analysis. Dr. Schill's report is as follows:

"I certify that I have examined chemically the sample of . . . baking powder forwarded to me by Dr. Critchfield. The specimen contained alum."

DR. FRANCIS SCHILL, JR., Analyst.

Alum is used in the manufacture of the lower-priced baking powders. It is a mineral poison, and for this reason the sale of baking powders containing it is in many cities prohibited.

The Thomas family tried to answer this "news item." Six of them signed a statement that they were sickened not by alum baking-powder, but by arsenical poisoning from a newly-painted sausage machine; that "the doctors did not tell us that the symptoms was alum poisoning, but arsenical poisoning"; that they were "using alum baking-powder then and are yet, as Dr. Schill and Dr. Critchfield said it was all right." And the physicians made affidavits to the same effect, one of which, Dr. Critchfield's, covers both:

Personally appeared before me J. B. Critchfield, who deposes and says as follows: That I am the doctor who attended the Thomas family who were poisoned some time ago. The statements and advertisements of the Royal Baking Powder

Company that I stated that they (the Thomas family) were poisoned by alum in baking powder is false. I never made any such statement. Mr. La Fetra, the agent of the Royal Baking Powder Company, called on me and asked me if I would state that the poisoning was alum poisoning, and I told him I would not. They have in their advertisements misquoted me and have made false statements in regard to the matter, as the symptoms were arsenical poisoning and not alum.

J. B. CRITCHFIELD.

April 20, 1900.

Such lying was not so common as a more subtle deception. A typical form of "reading notice" was to speak of alum as a poison, and then add suggestively: "Recently in New York two deaths occurred from poisoning by the use of powders sent to victims in samples." This does not say that the powders were alum, and, so far as I can learn, the only two deaths that occurred in this way at about that time were those of Barnett and Mrs. Adams, for whose murder Molineux was tried and acquitted; and Kutnow and bromo-seltzer were the powders alleged to have been used on them.

Such methods are corruption: not in law, not in business; "seeing" a chemist and getting him "to change his mind" and give "something that will answer a purpose," would be "fraud" and "pull" in politics; in business it is only a "trick of the trade." Printing lies is "faking," when the newspaper itself does it; but to do it for a big advertiser is a common practice of every-day business. It pays, and what pays is right. In the years

preceding the formation of the trust, the Royal company, capitalized at \$160,000, made profits which rose from \$17,647, in 1876, to \$725,162, in 1887. In other words, the income in 1887 was more than four times the capital, and the largest item of expense was for advertising, which ran up from \$17,647, in 1876, to \$291,084, in 1887. As the Hoaglands swore: "The great value of the property, estimated at millions of dollars, consists not in goods, nor in factories, nor in substantial assets, but in the good-will and popularity of its name and trade-mark." In short, as I said before, in a capitalization of twenty millions, eighteen represented a "general impression" that "alum was bad" and that cream of tartar was "the best."

But this was not enough. One year's profits of a million and a half were made on only twenty per cent. of the baking-powder business. If they could get the other eighty per cent., they could make six and one-half millions a year. And why not? Alum had not been driven out of the trade; it made gains steadily. The Royal had to keep up its fight. As Mr. Hoagland said: "A subtle tenure hangs upon its continued success (*sic*) which can be maintained only by the most unique and peculiar abilities, by the most cunning tact and long experience." Since, then, they had to fight for life, why not fight for a monopoly? Ziegler was for entirely driving alum out of use.

How? By legislation. But success would cost the consumer thirty millions a year. The consumer is the people, and legislators are representatives of the people. No matter. The representatives of the people must use the power of the people to build up a trust by compelling the people

to use only trust baking-powder. Impossible? Not at all. Legislation favorable to the Royal has been enacted or offered in twenty-four States of the Union! How the trust worked in all these States I do not know. Ziegler charged the Hoaglands with having "paid money to influence legislators in the Legislature of the State (of New York) and paid the same out of the funds of the company." I don't know about New York. I must go by the experience of Missouri, and, while Attorney-General Crow charges Ziegler with bribery out there, all I can prove is that bribes were paid in the interest of the Royal. Besides, direct bribery by a captain of industry himself is not typical, and it is the typical that we want to understand. This commercial concern went into politics, and it applied to the politics of Missouri those "peculiar abilities" and the "cunning tact" which we know and which we see have met the supreme test of business—success. Now we can see what business methods look like in politics.

Ziegler becomes a mere shadow. Corrupt Royal agents do the work. One of these was Daniel J. Kelly, publisher of the *American Queen*. Kelly organized, in 1890, the National Health Society, a "fake" as to national membership; just like fake political organizations. "Pure food" is the Royal's platform, and Kelly made pure food his hobby. "I have made a study of the subject," he said in an affidavit submitted to the United States Industrial Commission. "Such time as I have had free from the demands of my publishing business I have largely devoted . . . to furthering the passage of pure-food bills in the various States. For the past two or three years my attacks . . .

have been largely directed against alum baking-powder, and I have been interested in the movement that has spread through nearly all the States of the Union in favor of pure-food laws, prohibiting the use of alum baking-powders on the ground that they are poisonous."

To follow Kelly through "nearly all the States of the Union" would be interesting, but Missouri's experience was probably typical. In 1899 a bill was introduced into the legislature of that State, prohibiting the use of poisons in food, "arsenic, calomel, bismuth, ammonia or alum." "Or alum" was the point. Missouri is an alum State; \$15,000,000 was invested there in the alum baking-powder industry, which was one of the largest in the State and represented all the capital and all the enterprise of many of its citizens. "Or alum" would drive them out of business and leave a foreign trust a monopoly. But those legislators, in this Democratic State, advanced that bill out of turn and passed it, without a hearing, without notice, in secret. And the alum men did not learn till August 14, that after August 17 they could not continue in business, and then they heard of the law by accident.

This outrage aroused public opinion, and the alum men prepared a repeal bill for the next session, two years later. Meanwhile, however, Kelly and the National Health Society extended their organization. The Health Society of Missouri was formed and the founder thereof was that "friend of the people," the Hon. William J. Stone, ex-Governor of Missouri, and then a candidate for United States Senator. Now, Stone is no boodler. He and Colonel Phelps, after a long political friendship, quarreled once,

and Stone called Phelps a lobbyist. "Oh," said Phelps, "we both suck eggs, Stone and I, but Stone, he hides the shells." But I do not believe that Stone handles bribes. He is that other type, the orator of the people whose stock in trade is his influence; "an embezzler of power" Folk called him once. This anti-trust orator was hired by the trust to bring action under the trust's "or alum" law against his fellow citizens and thus install the foreign trust in the field of a general local industry. "Ah, but he acted as a lawyer." Do you know who said that? None other than William J. Bryan, arch-Democrat, arch-friend of the people, arch-foe of the trust, and that does excuse this political treason—in law and in business. I asked one of Folk's confessed boodlers, once, whether, if he had it all to do over again, he would boodle again. "Yes," he said thoughtfully, "but I would study law." "Why?" I asked. "So as I could take fees instead of bribes," he said, without humor. In other words, he saw, as Bryan saw, and Stone and the commercial world see, that what is boodling in politics is business in the practice of the law. And the practice of law is business.

When the alum men's repeal bill was introduced in the session of 1901, Kelly's plan to beat it was laid. Lieutenant-Governor Lee, who has told the story, referred the measure to a picked committee which was to have a hearing. The Hon. William J. Stone was to appear on the trust side, but not for the trust. There was no hearing, but Stone's speech, full of the Royal expert's chemical facts, in the Royal's phraseology, was laid on the desks of the members, and this is the way it begins:

32 STRUGGLE FOR SELF-GOVERNMENT

“I appear before you on the request of the Health Society of Missouri. This association is composed of a number of people—good people, both men and women—living in different parts of the State, with headquarters in St. Louis.” There was no such society. The “number” was three. They were not “good people,” not “both men and women”; they were Stone, his son, and one other man. And the headquarters in St. Louis was in the safe of Stone’s law office.

And this is a United States Senator! The Democrats of Missouri have sent him to Washington to do battle there for the “good people, both men and women,” against the Republican representatives of the Octopus. Well, we also are bound for Washington and we’ll be interested chiefly in the Republican Senatorial traitors, but we shall meet Stone there, too, and an introduction to a Democrat or two may help us. Let us turn now to an honest boodler, the Hon. John A. Lee, and hear how the “little alum fellows’” repeal bill was killed in 1901, and how again, in 1903, in the session which elected Stone United States Senator, it was beaten.

“When I was elected Lieutenant-Governor in 1900,” Lee says, “I was entirely unfamiliar with the ways of legislation. The Royal Baking Powder Company had been doing extensive advertising in the paper with which I was connected. I have known Daniel J. Kelly for some years and he has been ostensibly my friend. In the beginning of the session of 1901, I made no secret of the fact that it was my desire to defeat the repeal of the (anti-) alum law.

“One day Senator Farris came to me and said that it ought to be worth a good deal to the Royal Baking Powder Company to keep the anti-alum law on the statute books; and that the boys on the committee did not think that they ought to prevent its repeal without some compensation. I asked him what the boys wanted. He said they wanted \$1,000 apiece for six of the committee, which was all of the committee except Senator Dowdall, and \$1,000 for the Senator who introduced the bill. Unfortunately for me, Kelly called me up over the long-distance telephone from New York that same day, and I communicated to him the proposition made to me by Farris. He said he would see his principal and wire me the next day whether or not the proposition would be accepted. I received a telegram the next day from Kelly stating that the proposition was agreeable. This telegram I gave to Farris in Senator Morton's room, who was ill at the time. The agreement was that the bill, in return for the money to be paid each Senator, would be killed in committee—that is, never reported from the committee. The committee did keep the bill, and though there were various protests all over the State demanding a report from the committee, none was made.

“I have since learned that the chairman of the committee, in order to escape the pressure being brought upon the committee, left Jefferson City with the bill in his pocket, not returning until the closing day of the session, and that the report of the committee on the bill was filed by the chairman after the session adjourned, and the journal falsified, so as to have it appear that the report

34 STRUGGLE FOR SELF-GOVERNMENT

was made during the session of the Senate on the last day. This report made by the committee on the bill was written in New York and sent to me by Kelly. I turned it over to Farris, and this report was made a report of the committee, I believe, without any change.

“On February 28, 1901, I received a check from Kelly for \$8,500, being the \$7,000 for the seven Senators mentioned and \$1,500 for myself. On March 19, 1901, the day after the adjournment of the Legislature, I met Farris by appointment at the Laclede Hotel and settled with him and his associates in accordance with his proposition. I went to the bank and drew \$7,000, leaving \$1,500 for my share, went to Farris's room, and there handed the money to Senator Farris. He divided the \$7,000 into seven different packages or envelopes. While I was in the room Senator Mathews and Senator Smith came in, and to each of these Senator Farris gave one of the packages. The \$1,500 was to go to me, and was used by me in a trade paper.

“Just prior to the last session (1903) Kelly sent for me to come to the Planters' Hotel. I went to his room, found Senator Farris there, and Kelly told me in the presence of Farris that he had \$15,000 for the Senators to defeat the repeal of the alum law of this session, and that \$1,000 was for me. I told him I could not take it. He communicated with me at various other times, that he had \$1,000 for me in return for what I should do for him, etc., but I was determined to take no more money in that way, and refused. Finally, it seems he sent for my brother and gave him a check for \$1,000, telling him to give it to me,

tendering it as payment to me for my official influence."

Poor Lee! The miserable bribe-taker is disgraced and abandoned. He might have been Governor. The alum people were for him in the last session; he had promised them a fair committee, and he hoped not to have to vote himself. But Senator Farris was against him, and Farris arranged it so that, when the measure came up, there was a tie in the Senate. At the close of the roll, when the clerk turned to the chair for the deciding vote, Farris rose in his place. The chamber was still; everybody was aware that a weak boodler "wanted to reform," and that the "game was to show him up." Lee hesitated.

"Mr. President," said Farris, pointing his finger at Lee, "we are waiting for you."

"Nay," Lee voted, in a whisper, and the trust was left in control for two years more.

Even then Lee's hopes were not dead, nor his chances. But he "peached" and that ended Lee. He is a traitor—to the System.

But what of the captain of industry? What of the Royal Baking Powder Company, what of the Gould railroads, what of the breweries? What of Ellis Wainwright and George J. Kobusch and John Scullen? What of all the rest of the big business men? They are the sources of our political corruption. What of the System back of the corrupt rings? That is the sustenance of our political degradation. Ellis Wainwright, a fugitive from justice, dines in Paris with the American Ambassador, who is negotiating a treaty for the extradition of bribers. A

group of the ablest criminal lawyers in New York, at a hearing before Governor Odell at Albany, could not speak of John A. Lee without twisting their faces into ludicrous scorn; but they were defending William Ziegler from extradition to Missouri. And John Scullen!—I cited once, as an example of the shamelessness of St. Louis, the fact that Turner, the State's witness in the boodle cases, was still president of his trust company. When I returned to the city, some honest business men told me triumphantly that Turner had had to resign.

“Is John Scullen still a director of the World's Fair?” I asked.

He was, they said. “Then why has Turner been punished?” I inquired. “Was it because he boodled, or because he was a traitor to the System and peached?”

“Because he peached, I guess,” was the answer, and there lies the bitter truth. There is no public opinion to punish the business boodler, and that is why Joseph W. Folk had to go into politics and run for Governor out in the State with “boodle” for the sole issue. He is laying down as a political platform the doctrine of the new patriotism: that corruption is treason; that the man who, elected to maintain the institutions of a government by the people, sells them out, is a traitor; whether he be a constable, a legislator, a judge, or a boss, his act is not alone bribery, but treason. Folk's appeal is to the politician, the people, and the business man, all three, and there is hope in all three. The politician is not without patriotic sentiment: Ed Butler does not mean harm to his country; he is only

trying to make money at his business. And as for the business man——

One night, at a banquet of politicians, I was seated beside a man who had grown rich by unswerving loyalty to a corrupt ring—"the party organization," he would have called it—which had done more permanent harm to his country than a European army could do in two wars. He was not a politician, but a business man; not a boodler, but the backer of boodlers, and his conversation was a defense of "poor human nature," till the orchestra struck up a patriotic air. That moved him deeply.

"Isn't it beautiful!" he exclaimed; and when the boodlers joined in the chorus, he murmured, "Beautiful, beautiful," then leaned over and with tears in his eyes he said:

"Ah, but the tune for me, the song I love, is 'My Country, 'tis of Thee.'"

I believe this man thinks he is patriotic. I believe H. O. Havemeyer thinks his success is success, not one kind of success, but success, not alone his, but public "prosperity." And William Ziegler,¹ who is spending millions to plant the American flag first at the North Pole, I am sure he regards himself as a peculiarly patriotic American—and he is. They all are, according to their light, honorable men and patriotic citizens. They simply do not know what patriotism is. They know what treason is in war; it is going over to the enemy, like Benedict Arnold, and fighting in the open against your country. In peace

¹ William Ziegler died in 1905; but the type still lives.

and in secret to seize, not forts but cities and States, and destroy, not buildings and men, but the fundamental institutions of your country and the saving character of American manhood—that is not treason, that is politics, and politics is business, and business, you know, is business.

“Do you really call it wrong to buy a switch?” asked a St. Louis business man. “Even if it is necessary to your business?”

“Say,” said a politician, “if a rich mogul comes along and shakes his swag in your face and asks for a switch that he has a right to get, because he needs it in his business, wouldn’t you grab off a piece? On the level, now, wouldn’t you?”

They answer each other, these two, and each can judge the other, but neither can see himself as he is or the enormity of his crime. And “that man Folk,” rising out of the wrecked machinery of justice in Missouri, may lead his people to see that the corruption of their government is not merely corruption, but a revolutionary process making for a new form of government; and the people of Missouri, rising out of the wrecked machinery of the government of Missouri, may teach their politicians a lesson in liberty and honor. But that is not enough. That will reach neither the source nor the head of the evil. Some power greater than Folk, greater than that of the people of Missouri, must rise to bring home to the captain of industry the truth: That business, important as it is, is not sacred; that not everything that pays is right; that, if bribery is treason, if the corrupt politician is a traitor, then the corrupting business man is an enemy of the re-

public. No matter how many bonds he may float in war, or how much he may give for charity and education, if he corrupts the sources of law and of justice, his business is not success, but—treason, and his own and a people's failure.²

² Mr. Folk was elected Governor. For the first time in its history Democratic Missouri went Republican for President; and Roosevelt carried Republicans into all the State offices—excepting that of Governor. It was hard to split tickets in Missouri, but St. Louis and Missouri did it for Folk.

cause
not! business & politics
- system explanation
- on causal relations b/w behavior & people
analysis of situation

CHICAGO'S APPEAL TO ILLINOIS

SHOWING HOW, SINCE THE CORRUPTION OF A STATE
AND ITS CITIES IS ALL ONE SYSTEM, MU-
NICIPAL REFORM MUST INCLUDE
STATE REFORM
(August, 1904)

MISSOURI was a Democratic State. Illinois is Republican. "Graft" knows no politics, but the "good citizen" does. To the grafter a party is but a tool of his trade, and the party to which a majority of the citizens "belong" is his party. He does not belong to it; it belongs to him. The result is that neither of our great parties truly represents us; both stand to-day for graft. They differ upon other, unessential things; they are alike in this, that whichever is in power is the grafter's party. Now, wherever we have gone, we have found that the biggest grafter is Big Business, and Big Business kept changing its party to be of the majority. After Missouri I visited three Republican States—Ohio, New York, and Illinois. The railroad that took me into Illinois turned Republican at the State line. The Royal Baking Powder Company, which had dealt with the Democrats in Missouri, appeared in New York with the Republicans. So with the American Book Company—in Missouri a Democrat, at home in Ohio it is a Republican. And so it goes in national politics. Wall Street, and all that "Wall Street" connotes, was

Republican till President Roosevelt, refusing to acknowledge the privilege of capital, enforced the law against a combination of railroads. Then Wall Street began plotting with the Republican leaders for the nomination of a "safe man" for President, and, when that "safe man" died, looked to the Democrats—looked with its great campaign contribution for a bribe—and corrupt Democratic leaders, itching for the great financial graft, began its search for a "safe man."

If the good citizen would do as the corrupt politician and the corrupting business man do, shift freely from one party to the other as the change served his interest, then both parties would represent good citizenship. They would differ—more than they do now—on broad questions of public policy, but they would both stand, as they do not now, for the public interest. But the good citizen is "loyal to party." Half the loyalty that is betrayed by parties would, if devoted to the State and the nation, save the country and the parties, too! Such independence, however, would mean non-partisanship in State and national politics, and the good citizen is only just learning, with many a qualm of conscience, to vote independently in municipal elections. In State and national politics he votes too constantly, not for his State and the United States, but for "his party." Hence his party can deliver his vote. Hence his party does deliver his vote in Ohio, New York, and Illinois, as in Missouri—to all comers with "pulls" and bribes.

This is serious, since we realized, in Missouri, that "bribery and corruption" are not accidental and occa-

sional, but general and deliberate. I quoted the declaration made in open court by Judge Priest, one of the leaders of the Missouri bar, that bribery, at the most, is a "conventional crime." And he was right. Bribery out there was "a custom of the country," and political corruption was a system. And this system, laid wide open by Joseph W. Folk, proved to be, not an evil of government, but the government itself. Corruption had worked a revolution there. The representative democracy described in the State constitution of Missouri was a thing of paper. Drawn by dead men, it was dead. In its stead stood a reorganization of society, a commercial oligarchy, a government of special, not of common, interests; and this, the actual, government of this great State, was not a creation of paper and ink; you could not study it in the State library. We traced its superstructure in the crimes, the indictments, and the confessions of living men, and we saw that its foundation was laid, true and nice, upon the exact adjustment of the sordid ambitions of the political leaders of Missouri to the financial lusts of her captains of industry.

Political corruption, then, is a force by which a representative democracy is transformed into an oligarchy representative of special interests, and the medium of the revolution is the party.

So we must recognize parties and take up next a Republican State—Illinois. Illinois is not so demonstrably corrupt as Missouri. Other Republican States are worse, but these two offer just now a remarkable parallel, superficially in this, that at the same time Joseph W. Folk, the Democratic Circuit Attorney who had "done his duty"

in St. Louis, was running for the Democratic nomination for Governor of Democratic Missouri, Charles S. Deneen, the Republican State's Attorney (the same office), who had "done his duty" in Chicago, was running for the Republican nomination for Governor of Republican Illinois. There are many unessential differences, and we shall note them as we go along, but fundamentally the parallel is still more striking and significant in this, that while the Democrats of Missouri were being asked to take back from Democratic boodlers the control of their party, the Republicans of Illinois were being asked to take back from Republican boodlers the control of their party. Booodle was the issue in both campaigns; booodle is the underlying issue in most American political campaigns, but here it was a party issue. Politicians, anxious to preserve their parties, have always pleaded for "reform within the party." Well, here we have it. Here we have the fighting done within the party, and that is right. For parties do rule us, and if American citizens will "stick to party," then it is important for all of us to know what each party decides within itself to represent: all of us or a few of us, the common interests which ask for nothing but law, order, and fair play, and pay for these in taxes that sustain the State; or those special interests which seek special favors and pay for them in bribes which corrupt the State.

Folk began the movement which his candidacy is bringing to a logical conclusion. Deneen did not. This does not matter. We are interested not in the men, but in the issue for which they stand, and the issue arose in both States in the same way—in a fight for municipal reform

and the failure to get it. Fortunate failure! "Municipal reform" is a mean ideal. We have talked about it for years now, till it has come to be the highest aim of American citizenship. But think of it for a moment: It is not the cities alone that are corrupt, but the States also and the United States, and we all know that this is so. Yet we of the cities say, "Give us good government in the cities where we live, and the States and the United States may go to the deuce." It is a mistake. It is more than a mistake. Municipal reform, all by itself, is impossible. City government and State government are of one sovereignty, and, as for corruption, the city and the State are in one system, and the city man and the "up-State" man have to work together to get what each needs.

The big grafter knows this; there is nothing narrow and "provincial" about him, and Folk and the Chicago reformers got over their municipal narrowness by following the big grafter. They started right. They did not begin their reform by passing and enforcing laws to make other people good. They saw early that the "best citizens" were the worst grafters, and they went after them and the municipal legislators who were selling out to them. Folk's method was that of the criminal prosecutor, and he put the municipal bribe-givers and bribe-takers on trial, and when they appealed to the State courts, the pursuit into the State taught the Circuit Attorney of St. Louis that boodling was not a crime of city individuals, but the established method of conducting public business in both city and State. Boodle was a question of government, and Mr. Folk, in order to finish his job, had to go

into politics, and he went into politics. Declaring boodle to be the issue in both city and State, he appealed to the people.

The Chicago reformers went into politics at the first plunge. The system that confronted them was like that of St. Louis; it was the typical form of municipal government in all unreformed American cities. The citizens were divided between two parties. These parties were organized by two groups of "leaders": Robert E. Burke, John Powers, Mayor John P. Hopkins, and Roger C. Sullivan, "Democrats"; and William Lorimer, "Doc" T. N. Jamieson, James Pease, *et al*, "Republicans." (Others there were, but those named are active to-day.) They had a rough working agreement by which the Democrats took the city, the Republicans Cook County, and these governments they ran "for the good of the party." That was their highest spoken sentiment—not the good of the community, but of the party, and the good of the party came to mean the good of the leaders and their friends. They and their friends were in politics for "what there was in it for them." Thus the government of Chicago and Cook County was not a government in the interest of the people.

The followers of the two groups of leaders, operating like bandits, held up citizens and robbed them, just as train robbers and brigands do. Everybody had to pay for everything, lawful and unlawful; taxpayers had to help the tax-collector defraud the city, and shared with him the "reduction"; merchants paid to violate ordinances; contractors to be freed from inspections; health board supervision was largely blackmail; and the police operated a

system such as that which we found exposed in Minneapolis. The police of Chicago did not protect life and property; they protected the criminals; they licensed burglars and hold-up men by districts, guarded them while at work, and shared in their booty.

Now this is preposterous, but this is not the worst. This is crime, and if, when they had committed their crimes, the criminals had run away, all might have been well. But these were not private robbers, they were public plunderers; they not only robbed the citizens, they plundered the city. And they not only plundered the city and county once or twice, they operated methodically and systematically. And, they not only stayed by the loot, they stayed as judges, legislators, and executives. They were the government, and they sold the law, they rotted the sources of the law, they gave away public property, and they carried off the self-respect of the citizens of Chicago. For hold-up men and vulgar criminals were not the only "friends" of the leaders. Their circle included some of the leading citizens of the city. All men who were against the law were with the party rings; all men whose interests ran counter to the public interests were satisfied customers of this traffic in a people. Thus, though boodle was all that the politicians were after, their business was the sale of privileges; and the effect of the establishment of that business as the actual government, was to transform the representative democracy of Chicago into an oligarchy—representative of privileged classes.

Nor is this all. The classes favored were: first, those who—like pickpockets, hold-up men, gamblers, and keepers

of saloons and bawdy houses—wanted to break the law; second, those who—like tax-dodgers, railroads, and established big businesses—wanted to evade the law; and third, those who—like traction, gas, and other public utility companies—wanted to abuse general and procure and misuse special laws. In other words, boodle and graft, the “evils” happy pessimists speak of so lightly, had turned the city government of Chicago into an oligarchy of the worst citizens, of the enemies of the city.

The Chicago reformers attacked the third form of corruption, that of active boodling for franchises and other special ordinances. As I have pointed out in “The Shame of the Cities,” there are two main roads to reform. One goes down among the vulgar criminal classes to the correction of obvious police scandals, and leads to what we call “good government.” This is easily achieved. Minneapolis got it in a summer. New York has fought longer for it, but has it at last—from Tammany Hall! The other road takes the reformer higher up among his own friends through high finance to higher politics, and leads, when successful, to an awakened public opinion against corrupt misrepresentation in government—to what I call self-government. Chicago’s Municipal Voters’ League had every incentive to fight for “good government.” The city had police graft and administrative abuses as bad as any Minneapolis or New York ever had. But John H. Hamline, William Kent, and other young men who were serving as aldermen, and the best of the newspapers, advised the League to strike at the council, and George E. Cole and his associates struck at the council. And when they

struck there they struck the trail we traveled with Folk from St. Louis, the trail that runs between the two great parallels, business and politics, out of the city, up through the State to the United States.

The council was the heart of the corrupt system of Chicago. The aldermen, supposedly elected to represent the city, but really chosen by the leaders of the two parties, were selling out the city. Peter Dunne ("Mr. Doolley"), a reporter in those days, described many of the members as criminals marked by nature as such. Two-thirds of them were organized into a bipartisan "combine," which operated under the direction of a "good business man," Martin B. Madden, president of the Western Stone Company. "I rounded up the boys," said Johnnie Powers [Democrat], "and Madden [Republican] he told 'em what for." There we have the linking of the two rings, political and financial. Back of the Democrats in the "combine" were the party bosses—"Bobbie" Burke, Mayor Hopkins, and Roger Sullivan, and back of the Republicans were the Republican bosses—Billy Lorimer, "Doc" Jamieson, Pease, and others. Lorimer, Jamieson and Company did not direct or share in the bribery of Republican aldermen. The city council was not a Republican graft; the Republicans, as I explained, had the county. But just as the Republican sheriff, in return for non-interference by the Democratic police in his horse-racing graft, let the police alone in vice graft, so for general immunity from all hindrances in their county contracts, the Republican leaders delivered over to the Democrats the Republican aldermen to vote with the "combine" that

sold out municipal legislation. This was the bipartisan political system back of the corrupt council.

In front of the council were two financial rings. One of these was intact when I began my study of Illinois; this is the ring which centers in the Chicago National Bank—John R. Walsh, president.¹ Walsh is a Democrat. He is the owner of the Democratic party organ, *The Chronicle*, and the power behind the throne of the Democratic bosses. The power behind the throne of the Republican bosses is John M. Smyth, the head of one of Chicago's "big stores." Smyth (Republican) is a director of the bank of Walsh (Democrat), and its former cashier, now vice-president, is Fred M. Blount, an active Republican politician.

The great graft of the Chicago Republicans is public contracts, and they control the sources of contracts—State and county boards and, through judges like Hanecy, and the Governor, park boards. Lorimer was a street-car driver, but in politics he became a contractor and a friend of Walsh. Walsh is treasurer of the South Park Board; William Best, a director of the Chicago National Bank, is a member of the board, and so is Lyman A. Walton, vice-president of (Walsh's) Equitable Trust Company. Blount has been treasurer of the West Park Board and of the Sanitary Board. The latter is the board which has spent millions to reverse the Chicago River, and make it, the city's sewer, run out of, instead of into, the Lake. This developed a water power which the board once proposed to sell to a private corporation. Thomas M. Smyth, a relative of John M. Smyth, is an ex-president of the

¹ Walsh and his bank failed scandalously this year (1906).

board. Contracts from all these boards have gone sometimes to a Democratic firm like Lyden & Drews (Lyden is a nephew of ex-Mayor Hopkins), more often to a Lorimer firm. Walsh's institutions bond public officials and public officials deposit funds in his institutions. So do many of the politicians and sporting people. Other banks share in all this "legitimate graft," of course; the Chicago National group does not get it all. Here, briefly outlined, is one great business ring which profits by, is satisfied with, and gives financial aid and moral support to, the debased political system of the city, county, and State.

The other ring, now broken, was that of which the world-famous promoter, Charles T. Yerkes, was the center. He went to Chicago as a representative of Widener & Elkins, the street railway "financiers" of Philadelphia. He bought *The Inter Ocean*, the newspaper organ of the "stalwart" Republicans, and became a financial leader. He banked at the Illinois Trust and Savings Bank, John J. Mitchell, president. Now Mitchell is to Chicago what J. P. Morgan is to New York. But when Yerkes, recognized and beaten by Chicago, organized his street railway properties to leave them, the financial scheme involved a capitalization which could only be floated upon the theory that a new franchise was obtainable, and upon terms which it is incredible would be granted by an honest city council; yet Mitchell in Chicago and Morgan in New York helped float this plan for the Union Traction Company. Such financial coöperation is moral support, and Yerkes had that from Mitchell and from other banks; he had it from the financial world generally. And when you consider the

ramifications of influence from such banks in both rings, their directors, stockholders, customers, and friends, and from associated institutions, companies, and businesses, you can begin to understand what upheld the Hopkins-Sullivan Democrats, the Lorimer-Jamieson Republicans, the corrupt city council, and the whole rotten system of Chicago graft. What I have given is but a superficial sketch of the two main groups of those respectable powers which the Chicago reformers attacked when they attacked the Chicago City Council.

In 1895, when the Municipal Voters' League began its work, these financial powers had big plans before them. We shall follow two of them. The People's Gas and Coke Company wanted to combine all the Chicago gas companies and make a monopoly. The Hopkins-Sullivan Democrats, knowing this, had put through the council, when Hopkins was mayor, a franchise for the Ogden Gas Company. The organizers boast that they paid no bribes, but why should they? In the deal were Martin B. Madden, Johnnie Powers, Thomas Gahan, Roger Sullivan, and others. Chicago believes Mayor Hopkins had a two-elevenths interest, but I was most urgently persuaded to think that he had not. Say he wasn't in the deal. His crowd was, and among them were the politicians who sold franchises to business men; why shouldn't they give one to themselves? The scheme had all the marks of what, in Pennsylvania, would be called a "mace"—a company organized to sell out at blackmail prices to a "trust"; and, as a matter of fact, some fellows in the deal did come pretty near blackmail in their efforts to make the People's Company buy them out. More-

over, the two companies are working amicably together now under a financial settlement that made fortunes for the political promoters. But I must not get ahead of my story. In 1895 the gas deal had been passed through the "Democratic" Chicago council and was ready for the Republican State Legislature.

The other big plan was Yerkes's own. Many Chicago traction franchises were expiring, and the companies wanted to have them extended. The corrupt municipal system being in good order, the companies could have had from the city council anything bribery could buy, but the council was unable under the law to grant an extension of franchises for more than twenty years, and that was not enough for Yerkes. Some of his bonds ran longer than that, and besides, he had learned his financial politics in Pennsylvania, where they give franchises for 999 years and "in perpetuity." Yerkes wanted a franchise for at least 50 years.

And he tried to get it. Where? From the Illinois State Legislature. Yerkes was a Big Business man, and, like the gas men, he understood the whole machinery of government as it is. He did not try first for home rule in Chicago; his plans took him out into the State. He was not dependent upon the boodlers of Chicago. Yerkes knew that corruption was a State as well as a municipal system in Pennsylvania, and when, in 1895, he went to Springfield, the capital of Illinois, he went confident that he would find the system there. And it was there.

It had been there for at least twenty years and closely resembled that of Missouri. The railroads and other great

corporations of the State had built it up, and it was theirs. They hadn't much use for it in Yerkes's day; they had long before got about all they required. They were vulnerable to taxation, but they controlled the State Board of Equalization (of taxes). About the only other use they had for the system was to prevent adverse legislation, and since, as the railroad men say, Illinois is "fair" and harbors no anti-railroad sentiment, they were, and they are, in very little danger. Nevertheless, with a few notable exceptions, the roads have always kept in touch with politics all along their lines, and maintained the system which still is the actual government of Illinois. The head of it is, not the railroad lobby, as in Missouri, but the bipartisan group of Senators, called the "Senate combine," which is an old institution now reduced to refined blackmail and the orderly protection, for lump fees, of special interests. The House, more unwieldy and changeable, has to be moved by individual bribes of various amounts, and there is often scandal and quarreling over the division of the spoils; but the "regular business" in the House is done by committees which the Speaker appoints. To complete the legislative system, the Governor should be either a figurehead or the boss.

There are railroad officials and corporation managers in Illinois of sufficient moral development to denounce corruption and oppose it, and they think well of themselves, because they never boodle. But the corrupt system which their roads established remains standing ready for the service of all who seek to plunder the people. And when Yerkes arrived, it was at his service. The system put

through his 50 years' act for him. There was much talk of money paid; when, after the session, Speaker Meyer died, a large sum in new thousand-dollar bills was found in his safe deposit box. But Governor Altgeld, a Democrat, and neither a figurehead nor the boss of the system, vetoed the bill. The old system was not in good working order.

Yerkes, a great man in his class, set about making it go. In a quiet, "business-like" way, he "favored" John R. Tanner for Governor on the Republican ticket for the election of 1896. Tanner was chairman of the Republican Central Committee. As we noted in Missouri, the chairman of a State committee is a powerful factor in a corrupt State system. Tanner came as near being a State boss as any man in Illinois politics, and he was "safe." He was nominated, and in that presidential year "good old Republican" Illinois elected him with a "solid Republican" Legislature. Thus was the Republican State system repaired.

All clear before him, Yerkes found trouble brewing in his rear. The Democratic city system was getting out of order. The Chicago reformers were making progress. They were cutting down the corrupt majority of the council and organizing the public opinion which the great Chicago newspapers had developed against franchise stealing. Better men were chosen aldermen, and the League and the newspapers watched them and made the public watch and understand. By the spring of 1897 traction and Yerkes had become an issue in the city, and Carter H. Harrison was elected mayor on it. Yerkes was not afraid

of Harrison. "Bobbie" Burke, the Democratic boss, had nominated the young man, and, though Harrison talked inimically, Burke would probably control him; and, anyhow, Yerkes used to say, "every man has his price."

To make sure of his plans, however, Yerkes determined to make the perfected State system do the whole job for him. Instead of having it grant the city council power to extend traction franchises, he would have the State Legislature pass bills granting the extension outright. And a set of measures, called the Humphrey Bills, which gave the companies fifty years more of life, were introduced in the Senate. This was an outrage, but it rendered a great service to Chicago. The Humphrey Bills began for the city one of the greatest lessons a city can learn—that the State is a part of the municipal government and that municipal reform must include State reform. The mayoralty campaign was going on when these bills appeared, and the candidates, their orators, and the newspapers lashed themselves and the voters into a white heat over them. These bills violated the principle of "Home Rule," and mass-meetings denounced them in burning resolutions which spoke of "financial anarchists," "bribe-givers and bribe-takers," and ordered posted on billboards as political traitors all Cook County Senators who voted for the Humphrey Bills. The city recognized the real enemies of the city. John Maynard Harlan, a candidate for mayor, and the city's most effective orator, called a roll of directors and stockholders of the Chicago City Railway Company; these were the most self-respecting men in Chicago—Erskine M,

Phelps, George H. Wheeler, Samuel W. Allerton, Marshall Field—but their company was interested with Yerkes; their counsel was with him at Springfield; and the town believed that their company's money was being paid out with his in bribes. This is the way Mr. Harlan called the roll:

And now we have got to talk plain language. We have got to hold the right people responsible. We have got to name the directors of these companies; call them up. Erskine M. Phelps, I put you on the stand; take your seat; take your oath before the people of Chicago; place your hand upon the Bible of the people; take your oath, and let me question you, a director of the city railway. Erskine M. Phelps, do you know that your general counsel, do you know that the president of your company is down at Springfield—or if not there in person, by his attorney and representative—for the purpose of taking part in a grand larceny of the people of Chicago? There for the purpose of burglarizing the City of Chicago? If you don't know that we tell it to you now. Your agent, your president, your general counsel, formerly an honored member of the bar, that has done great service to this community, your general counsel is there engaged in this vile conspiracy. Now you know it, you know it well, Erskine M. Phelps, and you—should stop it.

Marshall Field, merchant prince, the founder of a great museum, a museum that shall be the home of art, literature, and science; Marshall Field, whose voice is heard, when he chooses to make it heard, in the councils of the nation; Marshall Field, to whom there has been no such word as failure in all his private undertakings; Marshall Field, stockholder, influential citizen; Marshall Field, bring your influence to bear as a stockholder and stop this robbery.

Thus Mr. Harlan went through the list. It hurt, and it helped, too, for it aroused public opinion all over the State, and State opinion was needed, for when the reformers and Mayor Harrison, elected, went down to Springfield to protest, they found the State system at work for Yerkes, and it was at work for the gas companies also. It was one of the worst sessions in the history of the State. Everybody—captains of industry and bosses, bootblacks, hack-drivers, and chambermaids—talked graft; all men seemed to have money, and the bars and poker games were awash with it. It was a system in joyous operation, and anybody—the reformers, Chicago, the whole State—could see just what it was and whose it was and who were directing it.

Yerkes sat in a chair at the head of the stairs in the rotunda of the capitol; he represented the American business man. In the executive chamber was Governor Tanner; he represented the State machine. William Lorimer occupied a chair in the Senate chamber; he represented the Republican party organization of Cook County. In the lobby moved "Doc" Jamieson (Republican) and Roger Sullivan (Democrat). The Democrats of Cook County turn over to the Republicans the legislators they elect just as the Republicans of Chicago deliver Republican aldermen to the Democrats. But Roger Sullivan and his followers represented the Hopkins-Sullivan-Gahan Democrats at Springfield, and the two groups of "leaders" labored together. One day when Mayor Harrison, there to speak for his city, came up the stairs, Yerkes laughed at him, and well he might; for with both party leaders, the Gov-

error, and the State delivering over the city to him, what could the Mayor of the city do? It was absurd. The Mayor protested and the citizens met in mass, but their State government did not represent them; it represented "Business"; special, not common, interests. And the gas and the traction bills were advanced.

There was a hitch over the gas bills. They went to committee with the understanding that everything was "arranged," and gas stock rose. The bills did not come out and the stock dropped. Then "all was settled" and the stock revived. Again the bill hung, and all was unsettled, especially the stock. This happened time and time again, till the impression was spread abroad that the People's and the Ogden were fighting. Then the bills came out and were passed. It developed afterward that while petty legislators may have received cash bribes for gas legislation, the "Senate combine" and the bosses were taking their pay out of the stock market, and the succession of favorable reports and apparent failures were only for stock-jobbing purposes. After the session Lorimer, Jamieson, and others had plenty of money, and people were asking them "where they got it." The answer in the public mind was that they "got it" for putting the gas bills through with the traction deal, and they were silent for two years. Then they suddenly explained. Their belated explanation differed somewhat from that just given, but it admits that they received gas stock and is full of incidental interest.

In 1899 these Republican bosses were accused of a wish to make John W. Gates a United States Senator. When

such politicians choose such a "business man" for such high office, it is a safe working hypothesis to assume that the man himself or the business he represents has been at least a steady contributor to campaign funds. The Chicago newspapers had to account for the sudden rise of this great financial "sport" to such "bad eminence," and they recalled that in the rush of business men to the scandalous legislature of 1897 Gates was there with two bills for his Illinois Steel and Wire Company, and that Lorimer and Jamieson helped him to pass them. Now Lorimer and Jamieson were for Gates for United States Senator. Why? Report had it that Gates had purchased for them at 82, two thousand shares apiece of gas stock; and that when the gas bills passed Lorimer sold his at 93, while Jamieson held on till he got 103 and cleared \$40,000. The bosses liked this story, for the Gates bills were "honest bills." Here is Jamieson's statement as printed in the Chicago *Evening Journal*:

As far as the stock story goes, it is correct. It is also true that the start of it was the four thousand shares of gas stock which Mr. Gates margined for us. It was in return for our looking out for Bills 90 and 108 [Gates's], which were liable to be overlooked in the rush of the closing day of the legislature. They were perfectly honest bills, there was no opposition to them, and our influence simply went to the extent of having them called up for discussion and passage. There were no views or votes against them, and naturally they passed. Mr. Gates in return gave us the gas stock and we carried it through the big rise. With the money made we have made other deals. We have speculated freely and I may say with some success,

and I do not care who knows it. There is nothing about the entire transaction to conceal, and perhaps it will answer the question some of our enemies have asked, "Where did you get it?" Since it is out, I have no desire to deny or conceal it.

As for Mr. Gates's candidacy, that is another matter. I do not know what his ambitions are. But I will say this, that he can have anything I can give him or help him to get. He has been a heavy contributor to the Republican campaign funds for many years, and has taken a big interest in State politics. He is a big man in this State, brainy, influential, and a leading manufacturer. He would make a good Senator and he can have my support whenever he wants it. I am making no announcement of his candidacy, neither do I deny it. He could have a very large portion of Cook County back of him.

Lorimer, Congressman and boss, said: "I have no desire to conceal anything. What Dr. Jamieson has said I indorse, and I am inclined to think Mr. Gates would get a good chance of winning if he entered the race as a candidate for Senator."

Gates did not go to the Senate, so we may pass this side-light on the way "the system" produces United States Senators. Pass also, but note well, the exposure this "explanation" makes of the character of the Cook County leaders of the Republican party of Illinois. The fact of immediate interest is that the gas bills went through the legislature and were signed by the Governor, and that Chicago did not care. The city had been torn up again and again for the mains of companies that promised competition to the trust, and always the competitors sold out

to the trust. They were at least relieved of that condition, for the purpose of the bills was to create a monopoly.

Chicago concentrated all its attention upon the Humphrey Bills, and that attention began to take effect. These bills had come down from the "Senate combine" to the House, and were in a fair way of being passed there, when the agitation in Chicago and the fight of the Chicago newspapers, which circulate throughout the State, aroused the country people, who began to speak to their representatives in the lower house. There was no direct appeal from Chicago to the country. I have never yet come upon an instance where a State, having been made intelligent concerning any sound, essential demand of a city, has failed to respond, but few cities have learned to confide in the "farmers," as they call them, and Chicago had not. Chicago's case was presented only indirectly to Illinois, but the State acted. Illinois killed the Humphrey Bills in the House.

That did not beat the bosses. Chicago's chief stated objection to the Humphrey Bills was that they violated the home-rule principle, so Yerkes substituted another, called the Allen Bill, which did not grant outright the fifty-year extension of franchises, but permitted the Chicago council to do so. From the point of view of the country this was fair, since it left the problem to Chicago, but as Chicago saw it, the move was an appeal from the State system back to the city system, and, with the implication of threatened bribery of the council, the Allen Bill threw the city into a fresh tempest of passion. The swing of public opinion was so swift that even the Allen Bill

seemed in danger. The country members had "lost their nerve," and the bosses saw that the measure must be advanced under the gavel. Speaker Curtis was afraid to use force, and he suddenly developed a "gum boil," and was sent off in a special car to Mammoth Cave. The Speaker *pro tem.* hammered the bill through to the third reading, then it was passed by both houses and Governor Tanner signed it.

The next step for Yerkes now was to get a Chicago council that would pass an ordinance to carry the Allen Law into effect. The outlook was discouraging, for the town was ringing with wrath, but Yerkes and his friends in both parties went quietly to work. The honest newspapers and the League also went to work, however, and loudly, and their appeal was to the people to send up aldermen that Yerkes couldn't buy. How the people responded, I have told in an article on Chicago in "The Shame of the Cities." But there is a part of the story I did not tell, Mayor Harrison's part. The League had tried to get enough honest aldermen to organize the council, but failed. Johnnie Powers beat them and the combine controlled the committees and had a majority for Yerkes's Lyman ordinance, which was to put the Allen Law into effect. But the Mayor presides in the Chicago council, and he has a veto which it takes a two-thirds vote to override. Carter H. Harrison was the key to the situation.

The time was come for Yerkes to "see" Mayor Harrison. The promoter had called often on the young man in the city hall, but always the Mayor's secretary or someone else was by. Yerkes asked the Mayor to dismiss

the witness or go into a separate room, but the Mayor never would. Now, with the council organized and ready, Yerkes had to "see" Harrison, and alone, and he saw him alone, as Yerkes thought; but there was a witness, so I know that Yerkes said that he could not understand why the young Mayor was against traction. "Many of my friends in the deal are your friends," he said. "Some of your friends are in it. Why are you against it?" And the Mayor answered that. Then Yerkes put to the Mayor the great question:

"Mr. Mayor, what is it that you want?"

When the Mayor answered that, Mr. Yerkes saw the beginning of the end of his Chicago career. He did not give up at once. The fight proceeded in the council, and it was a fight indeed. Reform aldermen were bought over and Harrison Democrats weakened, but the reformers put spies on their men and Harrison put the whip on his. And the System had its troubles, too. Aldermen in the boodle combine were asked by their children if what the other "scholars said at school was true, that their papa was a boodler"? Willing boodlers coming home at night found a mass committee from the ward waiting to ask them if they were going to "sell us out to Yerkes"? One alderman, finding his house closed against him one night, knocked for admittance, and, when his wife answered, she asked through the closed door if he was "for Chicago or for Yerkes"? Some of these men declared they would have to "go back on the party," and many more had to "turn honest," for a mob, organized by Harrison Democrats, stood ready with ropes at the crisis to hang

all "traitors." The council did not make the Allen Law effective; it did not grant a fifty-year extension of franchise for "nothing but boodle." Mayor Harrison defeated the treason of his own party.

Chicago is thinking seriously now of throwing aside Mr. Harrison for a mayor who will give the city administrative reform, and anyone who will talk with this remarkable man must feel that a change is necessary. He has made many improvements. He has abolished some intolerable abuses. With all that he has accomplished, however, graft and inefficiency persist, and I could not find in his own mind any hope of such thorough-going administrative reform as that which Chicago now seems bent upon. No, that will not come from Mr. Harrison; he does not, in his heart, care enough about good government to give it. But Harrison does care about self-government; he really has a sense of government for a people. I don't know how he came by it, whether it was born in him or was acquired from his political experience, nor does that matter. Harrison is not merely a Democrat; he is a democrat with a small d. For the democracy he withstood Yerkes and all Yerkes's money. And he withstood also Richard Croker. The Tammany boss called on the ambitious young Mayor just before a National Democratic Convention. He spoke for himself, William C. Whitney, and other National Democrats, and his subject was the future of the party and Mr. Harrison. As the Mayor once put it with a laugh: "Croker took me up on the mountain and showed me the cities of the earth." And while Harrison contemplated the view, Croker said that

he had a friend, Mr. Yerkes, and that anything Mayor Harrison could do for that friend would be appreciated by Mr. Croker and by Croker's and Whitney's Wall Street friends, whom Yerkes had loaded up with Chicago traction stock. The Chicago Democratic Mayor put aside the temptation of the National Democrats, and he cut loose from some of the same sort of "Democrats" at home. He did not recognize John R. Walsh. He fought Johnnie Powers and his Democratic combine. He finally dropped "Bobbie" Burke, his own Democratic boss. And when leaders of the Hopkins-Sullivan-Gahan wing of the Cook County Democracy came to him to sign an ordinance to permit them to sell out their Ogden Gas Company and complete the deal with the People's Gas and Coke Company, he refused them also. The two companies have finally come to an understanding with John R. Walsh, Roger Sullivan, etc., on the Ogden board; and C. K. G. Billings, chairman of the People's board, on the board of Walsh's bank. But they could not combine legally, and it was Harrison who foiled them. Harrison has lost all these leaders of the "business end" of his own party, and he had beaten them year by year till this spring (1904) William R. Hearst came along with his anti-trust boom for the Presidency and combined with those fellows who have sold out the Democracy to trusts. With such help the Hopkins-Sullivan-Burke-Powers Democracy rose and defeated the Harrison Democracy. Let Chicago put Harrison aside and go on its way, as it must, but the city should acknowledge that this man has served well the City of Chicago and American democracy.

66 STRUGGLE FOR SELF-GOVERNMENT

But this is a Republican article. Yerkes, beaten in Chicago, was looking back to the State again. And Chicago, victorious in Chicago, was also looking back to the State. Yerkes asked only time and no legislation. Chicago demanded the repeal of the Allen Law in the session of 1899. Yerkes's hope was in the State system; Chicago's was in the people of Illinois, and this time the appeal was direct; not sympathetic, but emotional and intimate, and the country papers took it up. Chicago asked the State to keep out of the Legislature every man who had voted for the Allen Law, and—I'd like to have every city in every State grasp the significance of the result of this cry of Chicago to Illinois—of sixteen retiring Senators who voted for the act, but two were reëlected; and of the eighty-two Representatives who voted for it, but fourteen were reëlected.

By this verdict the State system was thrown out of order once more, and it had to be rebuilt. The "Senate combine" was reorganized, but it was timid, and Lawrence Y. Sherman, one of the fourteen Representatives reëlected over their Allen vote, was elected Speaker of the House. But Sherman, a lean, long, fighting countryman, "deceived," he said, "by Lorimer," was swearing angry at the Cook County ring, and when he organized the House he knew what he was about. It was his House, not Yerkes's, not Lorimer's, and it was going to repeal the Allen Law "first off." No Lorimer-Jamieson leader dared approach Sherman, so Yerkes himself sent for him and wanted the Speaker to "gavel" the repeal down.

"Will the Allen Law be repealed?" he asked Sherman.

"I don't know," said Sherman, "but there will be a roll-call."

"If there's a roll-call the bill will be repealed," said the captain of industry.

"Do you think I would stand up there and suspend a roll-call on a measure so important as that?" Sherman asked.

Then Yerkes became angry. "You don't dare let the Allen Law be repealed. No man can turn tail on our interests and live politically."

There was the voice of the System, the sentiment of Big Business. Sherman dared, and Sherman has had to fight for his political life; but he lives politically by fighting. And he lives in Illinois, too. Yerkes lived in New York and London. There was a roll-call on the Allen repeal, and it was carried, with only one or two votes against it. The Senate passed it on up to Governor Tanner, and the Governor signed it. That ended traction legislation in the interest of the franchise boodlers; and it ended the use of the State government as a system for turning out laws for special interests. But it did not destroy the System itself.

Mayor Harrison and the Chicago reformers, strengthened in the city council, took the aggressive now. They could refuse to extend franchises to the street railways, but they would have to let the companies run over the time, since the city had no power to take the property. They did not all want "municipal ownership," but the city had to obtain from the State Legislature power to receive back the property in order to carry on negotia-

68 STRUGGLE FOR SELF-GOVERNMENT

tions to compel fair terms. They might not want to exercise that power, but they had to have it. They asked the Legislature of 1899 for it. The legislators, afraid of the whole subject, would not touch any phase of it, and nothing was done. Negotiations with the companies proceeded, and the disposition of the city council, Mayor, and reformers was to be fair, but the traction people would not give up their faith in corrupt force. They would not settle. In 1901 the city returned to the Springfield Legislature with a comprehensive bill for a general street railway law, but the State system was being reorganized, and it was strong enough to strangle the city's bill in committee.

That brought home to some of the Chicago reformers with full force the truth that the State Legislature, being a part of their municipal government, was as much in need of systematic study and improvement as the council. That was as far as they saw. They did not yet realize that the legislative system is but a part of the whole State system, that this system is rooted in the corruption of the lesser cities, the towns, and country districts, and that general State reform is as necessary as municipal reform in Chicago. But Chicago reformers make their observations, not in a study, but on the firing line, and they see only what is right before them. They shoot at what they see, however, and in 1901 they organized a Legislative Voters' League for Cook County, with George E. Cole as president and Hoyt King as secretary. This League applies to the nomination and election of Senators and Representatives from Chicago the same methods that

proved so effective for aldermanic reform, *viz.*: it keeps records of legislators' votes and conduct, publishes them, and advises upon their nomination and election. Reform in Chicago always organizes, informs and helps direct the public opinion aroused, and its leaders wield that tremendous power with tact, political skill, and common sense, and with effect—as they proved so dramatically at the next session of the Legislature, the session of 1903.

Chicago was bound to have its enabling legislation. Yerkes was gone, but his representatives and successors and the Lorimer-Jamieson Republican ring were bound to have no legislation. There was a new Governor, Richard Yates, but Lorimer had led a convention stampede to nominate him, and he was "with the party." The Legislature was Republican, as usual. Lawrence Y. Sherman and a group of independent Republicans, called the "Fighting Forty," were preparing to represent Chicago, but the Chicago bosses organized the House with John H. Miller for Speaker. There were rumors that the newspapers and the Legislative Voters' League had warned and won over the "Senate combine," but it was the same old bipartisan combine, and the bosses trusted it. The situation seemed to be in Lorimer's hands when the representatives of the Municipal and Legislative Voters' Leagues, of the city council, and of all the candidates that were running for Mayor in the pending Chicago campaign, looked it over at Springfield. Mr. Edwin Burritt Smith, who was there as special counsel to the city council's Traction Committee, sums it up thus in his article in the *Atlantic Monthly* for January, 1904:

70 STRUGGLE FOR SELF-GOVERNMENT

It was understood that, as a condition of his election, the Speaker was required to promise to carry out Hinman's [the editor of Yerkes's "Republican" *Inter Ocean*] orders on all street railway measures, and to use the gavel when necessary to defeat objectionable legislation. Mr. Gus Nohe—Lorimer's member from his own legislative district—when asked whether there was to be any traction legislation, replied: "I don't know. I do whatever the old man [Lorimer] tells me; and he tells me to do about traction as Hinman says." Hinman himself announced that there would be no traction legislation at that session.

Congressman Lorimer, the boss, did not want to appear at Springfield, because he was running a "good business man" for Mayor on the Republican ticket in Chicago, and his candidate was for traction legislation. But one of the city's bills, drawn by Walter L. Fisher, of the Municipal Voters' League, was going through the Senate. This was the Mueller Bill, and the "combine," under the whip of the League, the Chicago newspapers, and public opinion generally, sent the measure down to the House. Lorimer had to go to Springfield, and he took personal charge in the House. It was indeed an emergency. The Mueller Bill was safely buried in the Municipal Committee, but clearly, with the lobby full of Chicago reformers and committees from citizens' associations, to say nothing of his own "business man for Mayor"—all demanding legislation—some bill had to pass. Lorimer gave one day the word for action, and both parties in the House held caucuses that evening. The result was bad—"for the organization." Lorimer sent for the legislators one by

one, and late at night called a conference in his own room in the Leland Hotel, of certain ring-leaders, the Chicago Aldermanic Committee, Graeme Stuart, his business candidate for Mayor; Frank O. Lowden (a candidate this year for Governor), Edwin Burritt Smith, and others. Mr. Smith says Lorimer—a Congressman, mind you, not a State legislator—opened the discussion by asking, "What do you want?" Lorimer declared that the Mueller Bill was dead, and he offered as a substitute a bill to be called the Lindley Bill. That the official representatives of Chicago rejected; "it bore unmistakable signs," Mr. Smith says, "of tender regard for traction interests." Lorimer accepted some amendments, proposed others himself, and when these failed to satisfy the friends of the city, the boss, a leader of the Republican party in Illinois, said the Lindley Bill was all Chicago would get. "You must accept it with these amendments, pull down all opposition in the House and from the Chicago press, and actively support the bill. It is the Lindley Bill or nothing."

The Chicago press had been telling the city and State all about the situation, and, with the Allen Bill episode in mind, the organization legislators were anxious and weak. Chicago decided to reject the Lindley substitute and to fight its own boss on the floor of the House. With Sherman's "Fighting Forty" and the Democrats who were willing to help they had the votes, and all that they needed was a roll-call. But the Speaker, asked if he would allow one, refused to say. For two days there were skirmishes, and the voting showed that the "organization" was in a

precarious condition, but at last the Speaker rose, pale, but with gavel in hand, to force the amendments to the Lindley Bill. Back of him were some women; beside and before him stood a score of strong men ready to defend him. The bill was called up, and Mr. Lindley offered Lorimer's Amendment Number One. The law required a roll-call upon a demand of five members. Ninety-six rose and shouted "Roll-call!" The Speaker would not hear; he put the amendment and, amid confusion and outcries, swung down his gavel and declared the amendment carried. Amid great excitement Amendment Number Two was offered; members cried "Roll-call! Roll-call!" But again the gavel fell and the second amendment was "carried," and so, with the storm waxing, Numbers Three, Four, Five, and Six were hammered through. But at the sixth the House broke, and there was a rush for the Speaker's chair. If it hadn't been for the women back of him, missiles would have been showered upon him; as it was, the wave of angry members rose up to the chair, and the Speaker fled through a back door.

Balked, the House paused a moment; then Representative Sherman whispered something to a friendly Representative, who called the House to order. The House reorganized with Representative Charles A. Allen as temporary Speaker, a roll-call showed a quorum present, and the Lindley Bill was moved for reconsideration. One by one, on roll-call, the amendments, Numbers Six, Five, Four, etc., were rejected in reverse order, the bill was laid on the table, and the Mueller Bill was substituted for it. Then a scathing resolution of censure was passed upon

the fugitive Speaker and the House adjourned. He was in conference with Governor Yates, Lorimer, and Hinman, and when he returned to his seat that afternoon he took his censure and excused himself by making charges of attempts to bribe him, which were investigated and found to be unfounded. After the investigation the Mueller traction bill was finally passed and Governor Yates signed it. He wrote a memorandum giving reasons why the bill should not become a law, but he made it a law.

Now for the Missouri-Illinois parallel. When Mr. Folk realized that the political corruption of St. Louis was but a part of the financial-political State system, which has supplanted a representative democracy with an oligarchy of criminals, he started what he called a counter-revolution. He saw, moreover, that his party, controlled by boodlers, was the organization of this treason. The Democratic party represented not democracy, but the enemies of democracy. What did he do? Because he was a Democrat, he appealed first to the Democrats of Missouri, because they were Democrats, to clear out first of all the Democratic boodlers because they were Democrats. That was putting party loyalty to a pretty severe test. What happened? Such a splendid exhibition of genuine patriotism as this country seldom has a chance to display. The Democrats of Missouri rose up and they smashed that rotten old machine all to pieces; they took back the control of their party and they are making it fit for any American citizen to support. And the good citizens of Missouri will be asked to support it, for, incidentally, the Democrats insured the nomination of Mr. Folk for gov-

ernor. He will make his campaign on the same issue, "Boodle," and since the Republican party also boodled, he will ask all men of all parties to let him organize an administration that will represent, not bribery, but all the men of Missouri.

The issue was not made so clear, nor so personal, nor so exciting in Illinois, but Illinois seems to be more intelligent politically than Missouri, less partisan, and boodle was the issue there this summer. Chicago realized after its eight years of war that the existing political system misrepresented the people in both city and State government, and that the Republican party, the dominant one, was the party to try first to clean up. In it the worst traitors to the people were the Lorimer-Jamieson group. The Chicago reformers asked the Republicans of Cook County and of Illinois to take away from them the control of the party and restore it to Republicans who would represent the common interest of all the people of the State. The Chicago *Daily News*, *The Tribune*, and *The Record-Herald*, the trusted newspapers that express public opinion in Chicago, and (therefore, I think) wield that "power of the press" which so many journals elsewhere are bemoaning the loss of, voiced a demand to have Charles S. Deneen nominated for Governor.

Deneen is a Cook County Republican leader, a politician, who associated for years with Lorimer and Jamieson. Chicago is not afraid of politicians. All the city's best reform efforts have been directed, not to put reformers in office, but rather to force the politicians to represent the people, and the "newspaper trust" and the Voters'

Leagues are developing a class of politicians, not always sincere, who recognize that public opinion is a constant force in politics. Deneen is an honest man; I never heard his integrity questioned. He has been State's Attorney since 1896, and his record is one of orderly, efficient, fearless, and aggressively honest service. He did not go forth, like Folk, seeking out corruption in all places, but he performed the duties that came to him with tireless, masterful energy, and there is a line of cells in one State prison so full of business men whom Deneen convicted that it is called Bankers' Row. Deneen is a remarkable man. But, for the sake of simplification, let us say only that he is a politician who believes that it is good politics to serve the public.

That is all Chicago requires, and that made the issue in the Republican party of Illinois in the summer of 1904; the fight was over the nomination for Governor, but the question raised was: What shall the Republican party represent? Deneen said: "The public interest." He wanted to be Governor, but he understood that the men who supported him were seeking to beat the Lorimer-Jamieson ring, which believes that the Republican party exists to serve special interests. Lorimer and Jamieson understood this, too. There were other candidates. Governor Yates, a shallow, pompous person, sought a second term, but he thought Yates was the issue. Then there was an eloquent young lawyer, Frank O. Lowden, son-in-law of George M. Pullman, who wants to be something prominent in politics, United States Senator or Governor. He is a "fine fellow" and he has more personal friends among the reformers and

best citizens of Chicago than Deneen, but when he appeared as a candidate for the nomination the old ring backed him, not all his friends. Mr. Lowden is a "safe man"; he is the type that "fools" most good citizens. Having a "laudable ambition," he seeks an office, not an issue, and he cannot understand why he should not "welcome the support of his party"; and when he achieves office he cannot understand why he should not support his party. The Lowdens are the kind of men political bosses put up when the ring is on the verge of a defeat, and, being "good men," they cloud issues and save the rings. They do not mislead Chicago. The city saw through Lowden to the ring behind him, and the Republicans of Cook County sent to the convention a large majority of delegates instructed for Deneen. Many of the delegates, and some of the ward leaders, were reluctant and hankered for their old boss, but Public Opinion held them to their instructions.

If Deneen, or, better still, if Chicago had made as careful a canvass of the country as Folk did of Missouri, I believe Illinois would have responded like Missouri. As it was, the Republicans of Illinois did not decide. The country districts followed their leaders and the nomination was left to the convention. There were six or seven candidates. Yates, with his patronage-built State organization; Lowden, with the old bosses, the special interests, and his money; and Deneen, with Cook County, the Chicago newspapers, and the best public opinion—these three led in strength, and a deadlock ensued which, for duration, was unprecedented in the State.

The efforts to break it developed the apex of the State

System. I said a while ago that the United States Government was a part of the State and municipal systems of Illinois and Chicago. Speaker Cannon, of the National House of Representatives, was chairman of the convention, and United States Senators Cullum and Hopkins were present also. These men, and the whole "Federal Bunch," as the Federal officeholders are called, "worked" for Lowden. Not that they cared especially for him, though one of them remarked that it was well to have "a governor with a barrel." But their influence was for "harmony," the "good of the party," not of the State, nor even of the Republican citizens of the State—but of the old party leaders and "the thing as it was." Well, they did help to break the deadlock. Chicago and Illinois resent Federal interference. When this spring the Municipal League made its successful fight to beat "Doc" Jamieson in that boss's own ward, Congressman Lorimer and Senators Cullom and Hopkins persuaded President Roosevelt to appoint Jamieson Naval Officer of the Port. Upon their advice, confirmed, as he said, by such "respectable business men as John M. Smyth," etc., the President gave the discredited boss the office and the moral and political support that went with it. William Kent says that that helped to defeat Jamieson in his ward. So, at the convention, the Chicago newspapers, talking always of the old ring, were able to point out that the National Government was back of Lowden and his backers. This crystallized public opinion. The convention took a recess for ten days. When it reconvened, though the deadlock held for two days more, the current of sentiment was toward Deneen; and Yates, to get even

with the ring that had used, then dropped him, directed his delegates to vote for Deneen.

There was a "deal" between Yates and Deneen. But the terms were honorable, and besides, "political deals" are, like politicians, not bad in themselves. They are bad when they trade the public interest off for special and personal interests, and the deal which carried out the wishes of the best public opinion in Illinois and made Charles S. Deneen the Republican candidate for Governor (and Lawrence Y. Sherman the candidate for Lieutenant-Governor), did for the Republican party of Illinois what the Democratic voters of Missouri did for the Democratic party, when they sent up delegates instructed for Folk—restored the control to the people of the party. That deal completed the political ruin of the Lorimer-Jamieson ring, and, I verily believe, begins a movement to carry on out into the State the reform which was begun eight years ago in Chicago—a reform which aims to make the government, municipal and State, represent, not bribers, not corrupt politicians, not corrupting business men, but the common interests of the State—the citizens and friends, not the enemies, of the Republic.²

² Deneen was elected governor of Illinois by an overwhelming majority.

WISCONSIN: REPRESENTATIVE GOVERNMENT RESTORED

THE STORY OF LAFOLLETTE'S WAR ON THE RAIL-
ROADS THAT RULED HIS STATE

(October, 1904)

THE story of the State of Wisconsin is the story of Governor LaFollette. He is the head of the State. Not many Governors are that. In all the time I spent studying the government of Missouri I never once had to see or name the Governor of Missouri, and I doubt if many of my readers know who he was. They need not. He was only the head of the paper government described in the Constitution, and most Governors are simply "safe men" set up as figureheads by the System, which is the actual government that is growing up in the United States in place of the "government of the people, by the people, and for the people, which shall not perish from the earth." The System, as we have found it, is a reorganization of the political and financial powers of the State by which, for boodle of one sort or another, the leading politicians of both parties conduct the government in the interest of those leading businesses which seek special privileges and pay for them with bribes and the "moral" support of graft. And a "safe man" is a man who takes his ease, honors, and orders, lets the boss reign, and makes no trouble for the System.

80 STRUGGLE FOR SELF-GOVERNMENT

There is trouble in Wisconsin. Bounded on the east by Lake Michigan, on the north by Lake Superior, on the west by the Mississippi River, Wisconsin is a convenient, rich, and beautiful State. New England lumbermen stripped fortunes of forest off it, and, uncovering a fat soil watered by a thousand lakes and streams, settlers poured in from Northwestern Europe and made this new Northwest ripen into dairy farms and counties of golden wheat. From the beginning Wisconsin has paid, nor is there now any material depression or financial distress in the State. Yet there is trouble in Wisconsin. What is the matter? I asked a few hundred people out there to explain it, and though some of them smiled and others frowned, all gave substantially one answer: "LaFolletteism." They blame one man.

Robert Marion LaFollette was born on a farm in Dane County, Wisconsin, June 14, 1855. His father was a Kentucky-bred French Huguenot; his mother was Scotch-Irish. When the boy was eight months old the father died, leaving the mother and four children, and, at the age of fourteen, "Little Bob," as his followers still call him, became the head of the family. He worked the farm till he was nineteen years old, then sold it and moved the family to Madison, the county-seat and capital of the State. If, with this humble start, LaFollette had gone into business, his talents might have made him a captain of industry; and then, no matter how he won it, his success would have made him an inspiration for youth. But he made a mistake. He entered the State University with the class of '79. Even so, he might have got over his col-

lege education, but his father's French blood (perhaps) stirred to sentiment and the boy thrilled for glory. He had a bent for oratory. In those days debates ranked in the Western colleges where football does now, and "Bob" LaFollette won, in his senior year, all the oratorical contests, home, State, and interstate. His interstate oration was on *Iago*, and his round actor's head was turned to the stage, till John McCullough advised him that his short stature was against that career. Also, he says, his debts chained him to the earth. He had to go to work, and he went to work in a law office. In five months he was admitted to the bar, and in February, 1880, he opened an office and began to practice. A year or so later the young lawyer was running for an office.

"They" say in Wisconsin that LaFollette is ambitious; that he cannot be happy in private life; that, an actor born, he has to be on a stage. I should say that a man who can move men, as LaFollette can, would seek a career where he could enjoy the visible effect of his eloquence. But suppose "they" are right and the man is vain;—I don't care. Do you? I have noticed that a public official who steals, or, like Lieutenant-Governor Lee, of Missouri, betrays his constituents, may propose to be Governor, without being accused of ambition. "They" seem to think a boodler's aspirations are natural. He may have a hundred notorious vices; they do not matter. But a "reformer," a man who wants to serve his people, he must be a white-robed, spotless angel, or "they" will whisper that he is—what? A thief? Oh, no; that is nothing; but that he is ambitious. This is the System at work.

82 STRUGGLE FOR SELF-GOVERNMENT

It was the System in Missouri that, after spending in vain thousands of dollars to "get something on Folk," passed about the damning rumor that he was ambitious. And so in Wisconsin, "they" will take you into a back room and warn you that LaFollette is ambitious. I asked if he was dishonest. Oh dear, no. Not that. Not a man in the State, not the bitterest foe of his that I saw, questioned LaFollette's personal integrity. So I answered that we wanted men of ambition; that if we could get men to serve us in public life, not for graft, not for money, but for ambition's sake, we should make a great step forward.

Mr. LaFollette has ambition. He confessed as much to me, but he is after a job, not an office; Governor LaFollette's ambition is higher and harder to achieve than any office in the land.

The first office he sought was that of District Attorney of Dane County, and, although his enemies declare that the man is a radical and was from the start a radical, I gathered from the same source that his only idea at this time was to "pose" before juries "and win cases." Mr. LaFollette married in this year (a classmate), and he says he thought of the small but regular salary of the District Attorney. However this may be, he won the office and he won his cases, so he earned his salary. District Attorney LaFollette made an excellent record. That is freely admitted, but my attention was called to the manner of his entrance into politics, as proof of another charge that is made against him in Wisconsin. "They" say LaFollette is a politician.

"They" say in Missouri that Folk is a politician.

"They" say in Illinois that Deneen is a politician. "They" say in the United States that President Roosevelt is a politician. "They" are right. These men are politicians. But what of it? We have blamed our politicians so long for the corruption of our politics that they themselves seem to have been convinced that a politician is necessarily and inherently bad. He isn't, of course. Only a bad politician is bad, and we have been discovering in our studies of graft that a bad business man is worse. To succeed in reform, a man has to understand politics and play the game, or the bad business man will catch him, and then—what will he be? He will be an "impracticable reformer," and that, we all know, is awful.

"Bob" LaFollette is a politician. Irish, as well as French, he was born a master of the game, and he did indeed prove his genius in that first campaign. Single-handed he beat the System. Not that he realized then that there was such a thing. All the young candidate knew when he began was that E. W. Keyes, the post-master at Madison, was the Republican State boss, and, of course, absolute master of Dane County, where he lived. LaFollette was a Republican, but he had no claim of machine service to the office he wanted, and he felt that Boss Keyes and Philip L. Spooner, the local leader, would be against him, so he went to work quietly. He made an issue; LaFollette always has an issue; but his first one wasn't very radical. It had been the practice of District Attorneys to have assistants at the county's expense, and LaFollette promised, if elected, to do all his own work. With this promise he and his friends canvassed the county,

house by house, farm by farm, and, partly because they were busy by day, partly because they had to proceed secretly, much of this politics was done at night. The scandal of such "underhand methods" is an offense to this day to the men who were beaten by them. Mr. "Phil" Spooner (the Senator's brother) speaks with contempt of LaFollette's "night riders." He says the LaFollette workers went about on horseback after dark and that he used to hear them gallop up to their leader's house late at night. Of course he knows now that they were coming to report and plot, but he didn't know it then. And Boss Keyes, who is still postmaster at Madison, told me he had no inkling of the conspiracy till the convention turned up with the delegates nearly all instructed for LaFollette for District Attorney. Then it was too late to do anything.

Boss Keyes thought this showed another defect in the character of LaFollette. "They" say in Wisconsin that the Governor is "selfish, dictatorial, and will not consult." "They" said that about Folk in Missouri, when he refused to appoint assistants dictated by Boss Butler. Wall Street said it about Roosevelt when he refused to counsel with Morgan upon the advisability of bringing the Northern Securities case, but the West liked that in Roosevelt. The West said it about Parker when he sent his gold telegram to the Democratic National Convention, but the East liked that in Parker. There must be something back of this charge, and a boss should be able to explain it. Boss Keyes cleared it up for me. He said that at the time "Bob" was running for District Attorney,

“a few of us here were—well, we were managing the party and we were usually consulted about—about things generally. But LaFollette, he went ahead on his own hook, and never said a word to—well, to me or any of us.” So it’s not a matter of dictation, but of who dictates, and what. In the case of LaFollette, his dictatorial selfishness consisted in this, that he “saw” the people of the county and the delegates, not “us,” not the System. No wonder he was elected. What is more, he was reëlected; he kept his promises, and, the second time he ran, LaFollette was the only Republican elected on the county ticket.

During the two terms of District Attorney LaFollette, important changes were occurring in the Wisconsin State system beyond his ken. Boss Keyes was deposed and Philetus Sawyer became the head of the State. This does not mean that Sawyer was elected Governor; we have nothing to do with Governors yet. Sawyer was a United States Senator. While Keyes was boss, the head of the State was in the post-office at Madison, and it represented, not the people, but the big business interests of the State, principally lumber and the railways, which worked well together and with Keyes. There were several scandals during this “good fellow’s” long reign, but big business had no complaint to make against him. The big graft in this Northwestern State, however, was lumber, and the typical way of getting hold of it wholesale, was for the United States to make to the State grants which the State passed on to railway companies to help “develop the resources of the State.” Railroad men were in lumber companies, just as lumbermen were in the rail-

way companies, so railway companies sold cheap to the lumber companies, which cleared the land—for the settlers. This was business, and while it was necessary to “take care” of the Legislature, the original source of business was the Congress, and that was the place for the head of the System. Keyes had wished to go to the Senate, but Sawyer thought he might as well go himself. He had gone, and now, when Keyes was willing to take the second seat, the business men decided that, since it was all a matter of business, they might as well take it out of politics. Thus Senator Sawyer became boss, and, since he was a lumberman, it was no more than fair that the other seat should go to the railroads. So the big business men got together and they bought the junior United States Senatorship for the Honorable John C. Spooner.

At Marinette, Wisconsin, lives to-day a rich old lumberman, Isaac Stephenson. He was associated for years with Senator Sawyer and the other enemies of the Republic in Wisconsin, and he left them because they balked an ambition of his. Having gone over, however, he began to see things as they are, and not many men to-day are more concerned over the dangers to business of the commercial corruption of government than this veteran who confesses that he spent a quarter of a million in politics.

Once he and Senator Sawyer were comparing notes on the cost to them of United States Senatorships.

“Isaac,” said Sawyer, “how much did you put in to get the Legislature for Spooner that time?”

“It cost me about twenty-two thousand, Philetus. How much did you put in?”

"Why," said Sawyer, surprised, "it cost me thirty thousand. I thought it cost you thirty."

"No, it cost me thirty to get it for you when you ran."

Friends of mine, who are friends of Senator Spooner in Washington, besought me, when they heard I was going to Wisconsin, to "remember that Spooner is a most useful man in the Senate," and I know and shall not forget that. Able, deliberate, resourceful, wise, I believe Senator Spooner comes about as near as any man we have in that august chamber to-day to statesmanship, and I understand he loathes many of the practices of politics. But the question to ask about a representative is, what does he represent?

Senator Spooner, at home, represented the railroads of his State. He served a term in the Wisconsin assembly, and he served the railroads there. After that he served them as a lobbyist. I do not mean that he went to Madison now and then to make arguments for his client. Mr. Spooner spent the session there. Nor do I mean to say that he paid bribes to legislators; there are honest lobbyists. But I do say that Mr. Spooner peddled passes, and any railroad man or any grafter will tell you that this is a cheap but most effective form of legislative corruption. United States Senator Spooner, then, is a product, a flower, perhaps, but none the less he is a growth out of the System, the System which is fighting Governor LaFollette.

The System was fighting LaFollette 'way back in those days, but the young orator did not know it. He was running for Congress. So far as I can make out, he was

seeking only more glory for his French blood and a wider field to shine in, but he went after his French satisfaction in a Scotch-Irish fashion. Boss Keyes told me about it. Keyes had been reduced to the control only of his Congressional district, and, as he said, "We had it arranged to nominate another man. The place did not belong to Dane County. It was another county's turn, but Bob didn't consult us." Bob was consulting his constituents again, and his night riders were out. The System heard of it earlier than in the District Attorney campaign, and Keyes and Phil Spooner and the other leaders were angry. Keyes did want to rule that Congressional district; it was all he had, and Phil Spooner (who now is the head of the street railway system of Madison) sensed the danger in this self-reliant young candidate.

"What's this I hear about you being a candidate for Congress?" he said to LaFollette one day. "Don't you know nobody can go to Congress without our approval? You're a fool."

But LaFollette's men were working, and they carried all except three caucuses (primaries that are something like town meetings) against the ring. The ring bolted, but the people elected him; the people sent LaFollette to Congress at the same time they elected the legislators that sent John C. Spooner to the United States Senate.

When LaFollette had been in Washington a few weeks, Senator Sawyer found him out and became "like a father" to him. "Our boy" he called him, for LaFollette was the "youngest member." The genial old lumberman took him about and introduced him to the heads of de-

partments and finally, one day, asked him what committee he would like to go on. LaFollette said he would prefer some committee where his practice in the law might make him useful, and Sawyer thought "Public Lands" would about do. He would "fix it." Thus the System was coming after him, but it held back; there must have been a second thought. For the Speaker put LaFollette not on "Public Lands," but on "Indian Affairs."

The Governor to-day will tell you with a relish that he was so green then that he began to "read up on Indians"; he read especially Boston literature on that subject, and he thought of the speeches he could make on Indian wrongs and rights. But there was no chance for an orator. The committee worked and "our boy" read bills. Most of these bills were hard reading and didn't mean much when read. But by and by one came along that was "so full of holes that," as the Governor says, "even I could see through it." It provided for a sale of pine on the Menominee reservation in Wisconsin. Mr. LaFollette took it to the (Cleveland's) Commissioner of Indian Affairs, and this official said he thought it "a little the worst bill of the kind that I have ever seen. Where did it come from?" They looked and they saw that it had been introduced by the member from Oshkosh (Sawyer's home district). None the less, Mr. LaFollette wanted a report, and the Commissioner said he could have one if he would sit down and write for it. The report so riddled the bill that it lay dead in the committee. One day the Congressman who introduced it asked about it.

"Bob, why don't you report my bill?" he said.

"Bill," said Bob, "did you write that bill?"

"Why?"

"It's a steal."

"Let it die then. Don't report it. I introduced it because Sawyer asked me to. He introduced it in the Senate and it is through their committee."

Sawyer never mentioned the bill, and the incident was dropped with the bill. Some time after, however, a similar incident occurred, and this time Sawyer did mention it. The Indian Affairs Committee was having read, at the rate of two hours a day, a long bill to open the big Sioux Indian reservation in Dakota, by selling some eleven million acres right through the center. It was said to be a measure most important to South Dakota, and no one objected to anything till the clerk droned out a provision to ratify an agreement between the Indians and certain railroads about a right of way and some most liberal grants of land for terminal town sites. LaFollette interrupted, and he began to talk about United States statutes which provided not so generously, yet amply, for land grants to railways, when a Congressman from a neighboring State leaned over and said:

"Bob, don't you see that those are your home corporations?"

Bob said he saw, and he was willing to grant all the land needed for railway purposes, but none for town site schemes. When the committee rose, and LaFollette returned to his seat in the house, a page told him Senator Sawyer wanted to see him. He went out and the Senator talked to him for an hour in a most fatherly way, with

not a word concerning the Sioux bill till they were about to separate. Then, quite by the way, he said:

"Oh, say, when that Sioux Injun bill comes up there's a little provision in it for our folks which I wish you to look after."

LaFollette said the bill was up then, that they had just reached the "little provision for our folks," and that he was opposing it.

"Why, is that so?" said Sawyer. "Let's sit down and——" they had another hour, on town sites. It was no use, however. LaFollette "wouldn't consult." Sawyer gave up reasoning with him, but he didn't give up "the little provision." Political force was applied, but not by the senior Senator. The System had other agents for such work.

Henry C. Payne arrived on the scene. Payne was chairman of the Republican State Central Committee of Wisconsin, and we have seen in other States what the legislative functions of that office are. Payne reached Washington forty-eight hours after LaFollette's balk, and he went at him hard. All sorts of influence was brought to bear, and when LaFollette held out, Payne became so angry that he expressed himself—and the spirit of the System—in public. To a group in the Ebbitt House he said:

"LaFollette is a damned fool. If he thinks he can buck a railroad with five thousand miles of continuous line, he'll find he's mistaken. We'll take care of him when the time comes."

The State machine fought the Congressman in his own

district, and so did Keyes and the "old regency" at Madison, but LaFollette, the politician, had insisted upon a Congressman's patronage, all of it, and he had used it to strengthen himself at home. LaFollette served three terms in Congress, and when he was defeated in 1890, for the fourth, he went down with the whole party in Wisconsin. This complete overthrow of the Republicans was due to two causes, the McKinley tariff (which LaFollette on the Ways and Means Committee helped to frame) and a piece of State school legislation which angered the foreign and Catholic voters. We need not go into this, and the Democratic administration which resulted bears only indirectly on our story.

One of the great grafts of Wisconsin (and of many another State) was the public funds in the keeping of the State Treasurer. The Republicans, for years, had deposited these moneys in banks that stood in with the System, and the treasurer shared with these institutions the interest and profits. He, in turn, "divided up" with the campaign fund and the party leaders. The Democrats were pledged to break up this practice and sue the ex-treasurers. Now these treasurers were not all "good" for the money, and when the suits were brought, as they were in earnest, the treasurers' bondsmen were the real defendants. Chief among these was Senator Sawyer, the boss who had chosen the treasurers and backed them and the practice for years. Sawyer was alarmed. It was estimated that there had been \$30,000 a year in the graft; the Attorney-General was going back twenty years, and his suits were for the recovery of all the back inter-

est. Several hundred thousand dollars was at stake. And the judge before whom the cases were to be tried was Robert J. Siebecker, brother-in-law and former law partner of Robert M. LaFollette.

One day in September, 1891, LaFollette received from Sawyer a letter asking for a meeting in the Plankinton Hotel, Milwaukee. The letter had been folded first with the letter head on, then this was cut off and the sheet re-folded; and, as if secrecy was important, the answer suggested by Sawyer was to be the one word "Yes" by wire. LaFollette wired "Yes," and the two men met. There are two accounts of what occurred. LaFollette said Sawyer began the interview with the remark that "nobody knows that I'm to meet you to-day"; he spoke of the treasury cases and pulled out and held before the young lawyer a thick roll of bills. Sawyer's subsequent explanation was that he proposed only to retain LaFollette, who, however, insists that Sawyer offered him a cash bribe for his influence with Judge Siebecker.

Since Sawyer is dead now, we would better not try to decide between the two men on this particular case, but there is no doubt of one general truth: that Philetus Sawyer was the typical captain of industry in politics; he debauched the politics of his State with money. Old Boss Keyes was bad enough, but his methods were political—patronage, deals, etc., and he made the government represent special interests. But when the millionaire lumberman took charge, he came with money; with money he beat Keyes; and money, his and his friends', was the power in the politics of his régime.

His known methods caused no great scandal so long as they were confined to conventions and the Legislature, but the courts of Wisconsin had the confidence of the State, and the approach of money to them made people angry. And the story was out. LaFollette, after consultation with his friends, told Judge Siebecker what had happened, and the Judge declined to hear the case. His withdrawal aroused curiosity and rather sensational conjectures. Sawyer denied one of these, and his account seeming to call for a statement from LaFollette, the young lawyer told his story. Sawyer denied it and everybody took sides. The cases were tried, the State won, but the Republican Legislature, pledged though it was to recover in full, compromised. So the System saved its boss.

But the System had raised up an enemy worthy of all its power. LaFollette was against it. "They" say in Wisconsin that he is against the railroads, that he "hates" corporate wealth. It is true the bitterest fights he has led have been for so-called anti-railroad laws, but "they" forget that his original quarrel was with Sawyer, and that, if hatred was his impulse, it probably grew out of the treasury case "insult." My understanding of the state of his mind is that before that incident, LaFollette thought only of continuing his Congressional career. After it, he was for anything to break up the old Sawyer machine. Anyhow, he told me that, after the Sawyer meeting, he made up his mind to stay home and break up the System in Wisconsin. And, LaFollette did not originate all that legislation. Wisconsin was one of the four original Granger States. There seems to have been always some

discontent with the abuse of the power of the railways, their corrupting influence, and their escape from just taxation. So far as I can make out, however, some of the modern measures labeled LaFolletteism, sprang from the head of a certain lean, clean Vermont farmer, who came to the Legislature from Knapp, Wisconsin. I went to Knapp. It was a long way around for me, but it paid, for now I can say that I knew A. R. Hall. He is a man. I have seen in my day some seventeen men, real men, and none of them is simpler, truer, braver than this ex-leader of the Wisconsin Assembly; none thinks he is more of a failure and none is more of a success.

Hall knows that there is a System in control of the land. Sometimes I doubt my own eyes, but Hall knows it in his heart, which is sore and tired from the struggle. He went to the Legislature in 1891. He had lived in Minnesota and had served as an Assemblyman there. When he went to the Legislature in Wisconsin, one of the first demands upon him was from a constituent who wanted not a pass, but several passes for himself and others. Hall laughed at the extravagance of the request, but when he showed it to a colleague, the older Assemblyman took it as a matter of course and told him he could get all the passes he cared to ask for from the railroad lobbyists. "I had taken passes myself in Minnesota," Hall told me, "but I was a legislator; it was the custom, and I thought nothing of it." A little inquiry showed him that the custom in Wisconsin was an abuse of tremendous dimensions. Legislators took "mileage" for themselves, their families, and for their constituents till it appeared

that no man in the State was compelled to pay his fare. Hall had not come there as a reformer; like the best reformers I have known, experience of the facts started him going, and his reforms developed as if by accident along empirical lines. Hall says he realized that the legislators had to deliver votes—legislation—for these pass privileges, and he drew an anti-pass resolution which was offered as an amendment to the Constitution. It was beaten. Not only the politicians, the railroads also fought it, and together they won in that session. But Hall, mild-spoken and gentle, was a fighter, so the anti-pass measure became an issue.

One day Assemblyman Hall happened to see the statement of earnings of a railroad to its stockholders. Railroads in Wisconsin paid by way of taxes a percentage on their gross receipts, and, as Hall looked idly over the report, he wondered how the gross receipts item would compare with that in the statement to the State Treasurer. He went quietly about his investigation, and he came to the conclusion that, counting illegal rebates, the State reports were from two to five millions short. So he asked for a committee to investigate, and he introduced also a bill for a State railroad commission to regulate railroad rates. This was beaten, and a committee which was sent to Chicago to look up earnings reported for the railways. But this was not enough. Hall was "unsafe" and he must be kept out of the Legislature. So, in 1894, "they" sent down into Dunn County men and money to beat Hall for the renomination. They got the shippers out against him (the very men who were at the mercy of the roads), and one of these business men handled the

“barrel” which, as he said himself, he “opened at both ends.” Hall had no money and no organization, but he knew a way to fight. The caucuses were held in different places at different times, and Hall went about posting bills asking the voters to assemble one hour before time and listen to him. At these preliminary meetings he explained just what was being done and why; he said that he might not be right, but he had some facts, which he gave, and then he declared he was not against the railroads, that he only wished to make sure that they were fulfilling their obligations and not abusing their power. “I had only been trying to serve honorably the people I represented, and it was hard to be made to fight for your political life, just for doing that. But we won out. Those voters went into those caucuses and Dunn County beat the bribery. They then tried to buy my delegates.”

Mr. Hall was leaning against the railroad station as he said this. We had gone over the night before, his twelve years’ fight, up to his retirement the year before, and we were repeating now. He was looking back over it all, and a hint of moisture in his eyes and the deep lines in his good face made me ask:

“Does it pay, Mr. Hall?”

“Sometimes I think it does, sometimes I think it doesn’t. Yes, it does. Dunn County——” He stopped. “Yes, it does,” he added. “They used to cartoon me. They lampooned and they ridiculed, they abused and they vilified. They called me a demagogue; said I was ambitious; asked what I was after, just as they do LaFollette. But he is a fighter. He will never stop fighting. And if I had served

them, I could have had anything, just as he could now. It is hard and it hurts, when you're only trying to do your duty and be fair. But it does pay. They don't question my motives now, any more."

No, they don't question Hall's motives any more. When "they" became most heated in their denunciations of the Governor and all his followers, I would ask them, the worst haters, "What about A. R. Hall?" and the change was instantaneous.

"Now, there's a man," they would say; not one, but everybody to whom I mentioned A. R. Hall.¹

When LaFollette began his open fight against the System in 1894, he took up the issues of inequalities in taxation, machine politics, and primary elections. Hall and LaFollette were friends and they had talked over these issues together in LaFollette's law office in Madison, during the sessions. "They" say in Wisconsin that LaFollette is an opportunist. They say true. But so is Folk an opportunist, and so are the Chicago reformers—as to specific issues. So are the regular politicians who, in Wisconsin, for example, adopted later these same issues in the platform. The difference is this: the regulars wanted only to keep in power so as to continue the profitable business of representing the railroads and other special interests; Hall and LaFollette really wanted certain abuses corrected, and LaFollette was, and is, for any sound issue that will arouse the people of Wisconsin to restore representative government.

In 1894 LaFollette carried his issues to the State convention with a candidate for Governor, Nils P. Haugen,

¹ Mr. Hall died June 2, 1905.

a Norse-American who had served in Congress and as a State railroad commissioner. LaFollette and his followers turned up with one-third of the delegates. The regulars, or "Stalwarts," as they afterward were called, were divided, but Sawyer, declaring it was anybody to beat LaFollette, managed a combination on W. H. Upham, a lumberman, and Haugen was beaten. Hall was there, by the way, with an anti-pass plank, and Hall also was beaten.

The contest served only to draw a line between the LaFollette "Halfbreeds" and the "Stalwarts," and both factions went to work on their organizations. Upham was elected, and the Stalwarts, who had been living on federal patronage, now had the State. They rebuilt their State machine. LaFollette, with no patronage, continued to organize, and his method was that which he had applied so successfully in his early independent fights for District Attorney and Congressman. He went straight to the voters.

"They" say in Wisconsin that LaFollette is a demagogue, and if it is demagoguery to go thus straight to the voters, then "they" are right. But then Folk also is a demagogue, and so are all thorough-going reformers. LaFollette from the beginning has asked, not the bosses, but the people for what he wanted, and after 1894 he simply broadened his field and redoubled his efforts. He circularized the State, he made speeches every chance he got, and if the test of demagoguery is the tone and style of a man's speeches, LaFollette is the opposite of a demagogue. Capable of fierce invective, his oratory is im-

100 STRUGGLE FOR SELF-GOVERNMENT

personal; passionate and emotional himself, his speeches are temperate. Some of them are so loaded with facts and such closely knit arguments, that they demand careful reading, and their effect is traced to his delivery, which is forceful, emphatic, and fascinating. His earnestness carries the conviction of sincerity, and the conviction of his honesty of purpose he has planted all over the State by his Halfbreed methods.

What were the methods of the Sawyer-Payne-Spooner Republicans? In 1896 the next Governor of Wisconsin had to be chosen. The Stalwarts could not run Governor Upham again. As often happens to "safe men," the System had used him up; his appointments had built up the machine, his approval had sealed the compromise of the treasury cases. Someone else must run. To pick out his successor, the Stalwart leaders held a meeting at St. Louis, where they were attending a national convention, and they chose for Governor Edward W. Scofield. There was no demagoguery about that.

LaFollette wished to run himself; he hoped to run and win while Sawyer lived, and he was holding meetings, too. But his meetings were all over the State, with voters and delegates, and he was making headway. Lest he might fall short, however, LaFollette made a political bargain. He confesses it, and calls it a political sin, but he thinks the retribution which came swift and hard was expiation. He made a deal with Emil Baensch, by which both should canvass the State for delegates, with the understanding that whichever of the two should develop the greater strength was to have both delegations. LaFollette says

he came into convention with enough delegates of his own to nominate him, and Baensch had seventy-five or so besides. The convention adjourned over night without nominating and the next morning LaFollette was beaten. He had lost some of his own delegates, and Baensch's went to Scofield.

LaFollette's lost delegates were bought. How the Baensch delegates were secured, I don't know, but Baensch was not a man to sell for money. It was reported to LaFollette during the night that Baensch was going over, and LaFollette wrestled with and thought he had won him back, till the morning balloting showed. As for the rest, the facts are ample to make plain the methods of the old ring. Sawyer was there; and there was a "barrel." I saw men who saw money on a table in the room in the Pfister Hotel, where delegates went in and out, and newspaper men present at the time told me the story in great detail. But there is better evidence than this. Men to whom bribes were offered reported to their leader that night. The first warning came from Captain John T. Rice, of Racine, who (as Governor LaFollette recalls) said: "I have been with the old crowd all my life and I thought I knew the worst, but they have no right to ask me to do what they did to-night. I won't tell you who, but the head of the whole business asked me to name my price for turning over the Union Grove delegation from you to Scofield." There are many such personal statements, some of them giving prices—cash, and federal and State offices—and some giving the names of the bribery agents. The Halfbreed leaders tried to catch the bribers

with witnesses, but failed, and at midnight Charles F. Pfister, a Milwaukee Stalwart leader, called on LaFollette, who repeated to me what he said:

“LaFollette, we’ve got you beaten. We’ve got your delegates. It won’t do you any good to squeal, and if you’ll behave yourself we’ll take care of you.”

So LaFollette had to go on with his fight. He would not “behave.” His followers wanted him to lead an independent movement for Governor; he wouldn’t do that, but he made up his mind to lead a movement for reform within the party, and his experience with corrupt delegates set him to thinking about methods of nomination. The System loomed large with the growth of corporate wealth, the power of huge consolidations over the individual, and the unscrupulous use of both money and power. Democracy was passing, and yet the people were sound. Their delegates at home were representatives, but shipped on passes to Milwaukee, treated, “entertained,” and bribed, they ceased to represent. The most important reform was to get the nomination back among the voters themselves. Thus LaFollette, out of his own experience, took up this issue—direct primary nominations by the Australian ballot.

During the next two years LaFollette made a propaganda with this issue and railroad taxation, the taxation of other corporations—express and sleeping car companies which paid nothing—and the evils of a corrupt machine that stood for corrupting capital. He sent out circulars and literature, some of it the careful writings of scientific authors, but, most effective of all, were the

speeches he made at the county fairs. When the time for the next Republican State convention came around in 1898, he held a conference with some thirty of his leaders in Milwaukee, and he urged a campaign for their platform alone, with no candidate. The others insisted that LaFollette run, and they were right in principle. As the event proved, the Stalwarts were not afraid of a platform, if they could be in office to make and carry out the laws. LaFollette ran for the nomination and was beaten—by the same methods that were employed against him in '96; cost (insider's estimate), \$8,000. Scofield was re-nominated.

But the LaFollette-Hall platform was adopted—anti-pass, corporation taxation, primary election reform, and all. "They" say now in Wisconsin that LaFollette is too practical; that he has adopted machine methods, etc. During 1896, 1897, and 1898 they were saying he was an impracticable reformer, and yet here they were adopting his impracticable theories. And they enacted some of these reforms. The agitation (for LaFollette is indeed an "agitator") made necessary some compliance with public demand and platform promises, so Hall got his anti-pass law at last; a commission to investigate taxation was appointed, and there was some other good legislation. Yet, as Mr. Hall said, "In effect, that platform was repudiated." The railway commission reported that the larger companies, the Chicago, Milwaukee & St. Paul and the Northwestern, respectively, did not pay their proportionate share of the taxes, and a bill was introduced by Hall to raise their assessments. It passed the House, but

104 STRUGGLE FOR SELF-GOVERNMENT

the Senate had and has a "combine" like the Senates of Missouri and Illinois, and the combine beat the bill.

The failures of the Legislature left all questions open, and LaFollette and his followers continued their agitation. Meanwhile Senator Sawyer died, and when the next gubernatorial election (1900) approached, all hope of beating LaFollette was gone. The Stalwarts began to come to him with offers of support. One of the first to surrender was J. W. Babcock, Congressman and national politician. Others followed, but not John C. Spooner, Payne, and Pfister, not yet. They brought out for the nomination John M. Whitehead, a State Senator with a clean reputation and a good record. But in May (1900) LaFollette announced his candidacy on a ringing platform, and he went campaigning down into the strongest Stalwart counties. He carried enough of them to take the heart out of the old ring. All other candidates withdrew, and Senator Spooner, who is a timid man, wrote a letter which, in view of his subsequent stand for reelection, is a remarkable document; it declared that he was unalterably determined not to run again for the Senate. LaFollette was nominated unanimously, and his own platform was adopted. The victory was complete. Though the implacable Stalwarts supported the Democratic candidate, LaFollette was elected by 102,000 plurality.

Victory for reform is often defeat, and this triumph of LaFollette, apparently so complete, was but the beginning of the greatest fight of all in Wisconsin, the fight that is being waged out there now. Governor LaFollette was inaugurated January 7, 1901. The legislature was

overwhelmingly Republican and apparently there was perfect harmony in the party. The Governor believed there was. The Stalwart-Halfbreed lines were not sharply drawn. The Halfbreeds counted a majority, especially in the House, and A. R. Hall was the "logical" candidate for Speaker. It was understood that he coveted the honor, but he proposed and it was decided that, in the interest of peace and fair play, a Stalwart should take the chair. The Governor says that the first sign he had of trouble was in the newspapers which, the day after the organization of the legislature, reported that the Stalwarts controlled and that there would be no primary election or tax legislation. The Governor, undaunted, sent in a firm message calling for the performance of all platform promises, and bills to carry out these pledges were introduced under the direction of the LaFollette leaders, Hall and Judge E. Ray Stevens, the authority of the primary election bill. These developed the opposition. There were two (alternative) railway tax bills; others to tax other corporations; and, later, a primary election bill—nothing that was not promised by a harmonious party, yet the outcry was startling and the fight that followed was furious. Why?

I have seen enough of the System to believe that that is the way it works. Just such opposition, with just such cries of "boss," "dictator," etc., arise against any Governors who try to govern in the interest of the people. And I believe they will find their Legislatures organized and corrupted against them. But in the case of LaFollette there was a "misunderstanding." In the

106 STRUGGLE FOR SELF-GOVERNMENT

year (1900) when everything was LaFollette, Congressman Babcock, Postmaster-General Payne, and others sought to bring together the great ruling special interests and the inevitable Governor. Governor LaFollette said, like President Roosevelt, that he would represent the corporations of his State, just as he would represent all other interests and persons; but no more. He would be "fair." Well, that was "all we want," they said, and the way seemed smooth. It was like the incident in St. Louis when Folk told the boodlers he would "do his duty," and the boodlers answered, "Of course, old man."

But some railroad men said LaFollette promised in writing to consult with them before bringing in railroad bills; there was a certain famous letter written in the spring of 1900 to Thomas H. Gill, an old friend of the Governor, who is counsel to the Wisconsin Central Railroad; this letter put the Governor on record. Everywhere I went I heard of this document, and though the noise of it had resounded through the State for four years, it had never been produced. Here it is:

MADISON, WIS., May 12th, 1900.

DEAR TOM:

You have been my personal and political friend for twenty years. Should I become a candidate for the nomination for Governor, I want your continued support, if you can consistently accord it to me. But you are the attorney for the Wisconsin Central R. R. Co., and I am not willing that you should be placed in any position where you could be subjected to any criticism or embarrassment with your employers upon my account. For this reason, I desire to state to you in so

far as I am able my position in relation to the question of railway taxation, which has now become one of public interest, and is likely to so continue until rightly settled. This I can do in a very few words.

Railroad corporations should pay neither more nor less than a justly proportionate share of taxes with the other taxable property of the State. If I were in a position to pass officially upon a bill to change existing law, it would be my first care to know whether the rate therein proposed was just in proportion to the property of other corporations and individuals as then taxed, or as therein proposed to be taxed. The determination of that question would be controlling. If such rate was less than the justly proportionate share which should be borne by the railroads, then I should favor increasing it to make it justly proportionate. If the proposed rate was more than the justly proportionate share, in comparison with the property of other corporations, and of individuals taxed under the law, then I should favor decreasing to make it justly proportionate.

In other words, I would favor equal and exact justice to each individual and to every interest, yielding neither to clamor on the one hand, nor being swerved from the straight course by any interest upon the other. This position, I am sure, is the only one which could commend itself to you, and cannot be criticised by any legitimate business honestly managed.

The Mr. Gill to whom this letter was addressed is one of the most enlightened and fair-minded corporation lawyers that I ever met, even in the West, where corporation men also are enlightened. He convinced me that he and the other railroad men really did expect more consideration than

108 STRUGGLE FOR SELF-GOVERNMENT

the Governor gave them, and so there may have been a genuine misunderstanding. But after what I have seen in Chicago, St. Louis, and Pittsburg, and in Missouri and Illinois and the United States, I almost am persuaded that no honest official in power can meet the expectations of great corporations; they have been spoiled, like bad American children, and are ever ready to resort to corruption and force. That was their recourse now.

Governor LaFollette says he learned afterward that during the campaign, the old, corrupt ring went about in the legislative districts, picking and "fixing" legislators, and that the plan was to discredit him with defeat by organizing the Legislature against him. However this may be, it is certain that when his bills were under way, there was a rush to the lobby at Madison. The regular lobbyists were reinforced with special agents; local Stalwart leaders were sent for, and federal officeholders; United States Senators hurried home, and Congressmen; and boodle, federal patronage, force, and vice were employed to defeat bills promised in the platform. Here is a statement by Irvine L. Lenroot, now the Speaker of the Assembly. He says:

"From the first day of the session the railroad lobbyists were on the ground in force, offering courtesies and entertainments of various kinds to the members. Bribery is a hard word, a charge, which never should be made unless it can be substantiated. The writer has no personal knowledge of money being actually offered or received for votes against the bill. It was, however, generally understood in the Assembly that any member favoring the bill

could better his financial condition if he was willing to vote against it. Members were approached by representatives of the companies and offered lucrative positions. This may not have been done with any idea of influencing votes.

“The reader will draw his own conclusions. It was a matter of common knowledge that railroad mileage could be procured if a member was ‘right.’ Railroad lands could be purchased very cheaply by members of the Legislature. It was said if a member would get into a poker game with a lobbyist, the member was sure to win. Members opposed to Governor LaFollette were urged to vote against the bill, because he wanted it to pass. A prominent member stated that he did not dare to vote for the bill, because he was at the mercy of the railroad companies, and he was afraid they would ruin his business by advancing his rates, if he voted for it.”

I went to Superior and saw Mr. Lenroot, and he told me that one of the “members approached by representatives of the companies and offered positions” was himself. He gave his bribery stories in detail, and enabled me to run down and verify others; but the sentence that interested me most in his statement was the last. The member who did not dare vote for the railway tax bill, lest the railways raise the freight on his goods and ruin his business, confessed to Governor LaFollette and others. Another member stated that in return for his treason to his constituents, a railroad quoted him a rate that would give him an advantage over his competitors.

Well, these methods succeeded. The policy of the ad-

ministration was not carried out. Some good bills passed, but the session was a failure. Not content with this triumph, however, the System went to work to beat LaFollette, and to accomplish this end, LaFollette's methods were adopted, or, rather, adapted. A systematic appeal was to be made to public opinion. A meeting of the leading Stalwarts was held in the eleventh story of an office building in Milwaukee, and a Permanent Republican League of the State of Wisconsin was organized. This became known as the "Eleventh Story League." A manifesto was put out "viewing with alarm" the encroachments of the executive upon the legislative branch of the government," etc., etc. (The encroachments of boodle business upon all branches of the government is all right.) An army of canvassers was dispatched over the State to interview personally every voter in the State and leave with him books and pamphlets. Now this was democratic and fair, but that League did one thing which is enough alone to condemn the whole movement. It corrupted part of the country press. This is not hearsay. The charge was made at the time these papers swung round suddenly, and the League said it did not bribe the editors; it "paid for space for League editorial matter, and for copies of the paper to be circulated." This is bribery, as any newspaper man knows. But there was also what even the League business man would call bribery; newspaper men all over the State told me about direct purchase—and cheap, too. It is sickening, but, for final evidence, I saw affidavits, published in Wisconsin, by newspaper men, who were approached with offers which they refused, and by

others who sold out, then threw up their contracts and returned the bribes, for shame or other reasons.

These "democratic" methods failed. When the time arrived for the next Republican State convention, the Stalwarts found that the people had sent up delegates instructed for LaFollette, and he was nominated for a second term. What could the Stalwarts do? They weren't even "regular" now. LaFollette had the party, they had only the federal patronage and the Big Business System. But the System had resources. Wherever a municipal reform movement has hewed to the line, the leaders of it, like Folk and the Chicago reformers, have seen the forces of corruption retire from one party to the other and from the city to the State. This Wisconsin movement for State reform now had a similar experience. The Wisconsin System, driven out of the Republican, went over to the Democratic party; that had not been reformed; beaten out of power in the State, it retreated to the towns; they had not been reformed.

The System in many of the Wisconsin municipalities was intact. There had been no serious municipal reform movements anywhere, and the citizens of Milwaukee, Oshkosh, Green Bay, etc., were pretty well satisfied, and they are still, apparently. "We're nothing like Minneapolis, St. Louis, and the rest," they told me with American complacency. Green Bay was exactly like Minneapolis; we know it because the wretched little place has been exposed since. And Marinette and Oshkosh, unexposed, are said by insiders to be "just like Green Bay." As for Milwaukee, that is St. Louis all over again.

112 STRUGGLE FOR SELF-GOVERNMENT

District Attorney Bennett has had grand juries at work in Milwaukee since 1901, and he has some forty-two persons indicted—twelve aldermen, ten supervisors, nine other officials, one State Senator, and ten citizens; four convictions and three pleas of guilty. The grafting so far exposed is petty, but the evidence in hand indicates a highly perfected boodle system. The Republicans had the county, the Democrats the city, and both the council and the board of supervisors had combines which grafted on contracts, public institutions, franchises, and other business privileges. The corrupt connection of business and politics was shown; the informants were merchants and contractors, mostly small men, who confessed to bribery. The biggest caught so far is Colonel Pabst, the brewer, who paid a check of \$1,500 for leave to break a building law. But all signs point higher than beer, to more “legitimate” political business. As in Chicago, a bank is the center of this graft,² and public utility companies are back of it. The politicians in the boards of management, now or formerly, show that. It is a bipartisan system all through. Henry C. Payne, while chairman of the Republican State Central Committee, and E. C. Wall (the man the Wisconsin Democracy offered to the National Democratic Convention for President of the United States), while chairman of the Democratic State Central Committee, engineered a consolidation of Milwaukee street railway and electric lighting companies, and, when the job was done, Payne became manager of the street railway, Wall of the light company.

¹ The First National Bank, the president of which is now in the penitentiary.

But this was "business." There was no scandal about it. The great scandal of Milwaukee was the extension of street railway franchises, and the men who put that through were Charles F. Pfister, the Stalwart Republican boss, and David S. Rose, the Stalwart Democratic Mayor. Money was paid; the extension was boodled through. The Milwaukee *Sentinel* reprinted a paragraph saying Pfister, among others, did the bribing, and thus it happened that the Stalwarts got that paper. Pfister sued for libel, but when the editors (now on the Milwaukee *Free Press*) made answer that their defense would be proof of the charge, the millionaire traction man bought the paper and its evidence, too. It is no more than fair to add—as Milwaukee newspaper men always do (with delight)—that the paper had very little evidence, not nearly so much as Pfister seemed to think it had. As for Mayor Rose, his friends declare that he has told them, personally and convincingly, that he got not one cent for his service. But that is not the point. Mayor Rose fought to secure for special interests a concession which sacrificed the common interests of his city. I am aware that he defends the terms of the grants as fair, and they would seem so in the East, but the West is intelligent on special privileges, and Mayor Rose lost to Milwaukee the chance Chicago seized to tackle the public utility problem. Moreover, Rose knew that his council was corrupt before it was proven so; he told two business men that they couldn't get a privilege they sought honestly from him without bribing aldermen. Yet he ridiculed as "hot air" an investigation which produced evidence enough to defeat at the polls, in a

self-respecting city, the head of an administration so besmirched. Nevertheless, Milwaukee reelected Rose; good citizens say that they gave the man the benefit of the doubt—the man, not the city.

But this is not the only explanation. The System was on trial with Mayor Rose in that election, and the System saved its own. The Republicans, with the Rose administration exposed, had a chance to win, and they nominated a good man, Mr. Guy D. Goff. Pfister, the Stalwart Republican boss, seemed to support Goff; certainly the young candidate had no suspicion to the contrary. He has now, however. When the returns came in showing that he was beaten, Mr. Goff hunted up Mr. Pfister, and he found him. Mr. Goff, the Republican candidate for Mayor, found Charles F. Pfister, the Stalwart Republican boss, rejoicing over the drinks with the elected Democratic Mayor, David S. Rose!

I guess Mr. Goff knows that a bipartisan System rules Milwaukee, and, by the same token, Governor LaFollette knows that there is a bipartisan System in Wisconsin. For when Governor LaFollette beat the Stalwarts in the Republican State convention of 1902, those same Stalwarts combined with the Democrats. Democrats told me that the Republican Stalwarts dictated the "Democratic" anti-LaFollette platform, and that Pfister, the "Republican" boss, named the "safe man" chosen for the "Democratic" candidate for Governor to run against LaFollette—said David S. Rose.

"They" say in Wisconsin that LaFollette is a Democrat; that "he appeals to Democratic voters." He does.

He admits it, but he adds that it is indeed to the Democratic voters that he appeals—not to the Democratic machine. And he gets Democratic votes. “They” complain that he has split the Republican party; he has, and he has split the Democratic party, too. When “they” united the two party rings of the bipartisan System against LaFollette in 1902, he went out after the voters of both parties, and those voters combined; they beat Rose, the two rings, and the System. The people of Wisconsin reëlected LaFollette, the “unsafe,” and that is why the trouble is so great in Wisconsin. The System there is down.

There is a machine, but it is LaFollette’s. When he was reëlected, the Governor organized his party, and I think no other of his offenses is quite so heinous in Stalwart eyes. They wanted me to expose him as a boss who had used State patronage to build up an organization. I reminded “them” that their federal patronage is greater than LaFollette’s State patronage, and I explained that my prejudice was not against organization; their kind everywhere had been urging me so long to believe that organization was necessary in politics that I was disposed to denounce only those machines that sold out the party and the people. And as for the “boss”—it is not the boss in an elective office where he is responsible that is so bad, but the irresponsible boss back of a safe figurehead; this is the man that is really dangerous. They declared, however, that Governor LaFollette had sacrificed good service to the upbuilding of his machine. This is a serious charge. I did not go thoroughly into it. Cases which I investi-

gated at Stalwart behest, held, with one exception, very little water, and I put no faith in the rest. But, for the sake of argument, let us admit that the departments are not all that they should be. What then? As in Chicago, the fight in Wisconsin is for self-government, not "good" government; it is a fight to reestablish a government representative of all the people. Given that; remove from control the Big Business and the Bad Politics that corrupt all branches of the government, and "good" government will come easily enough. But Big Business and Bad Politics are hard to beat.

The defeat of Rose did not beat them. The Stalwarts still had the Senate, and they manned the lobby to beat the railroad tax and the primary election bills. But Governor LaFollette outplayed them at the great game. He long had been studying the scheme for a State commission to regulate railway freight rates. It was logical. If their taxes were increased the roads could take the difference out of the people by raising freight rates. Other States had such commissions, and in some of them, notably Iowa and Illinois, the rates were lower than in Wisconsin. Moreover, we all know railroads give secret rebates and otherwise discriminate in favor of individuals and localities.

When then, the battle lines were drawn on the old bills in the Legislature of 1903, the Governor threw into the fight a bristling message calling for a commission to regulate railway rates. The effect was startling. "Populism!" "Socialism!" "they" cried, and they turned to rend this new bill. They let the tax bill go through to fight this

fresh menace to "business." They held out against the primary election bill also, for if that passed they feared the people might keep LaFollette in power forever. Even that, however, they let pass finally, with an amendment for a referendum. Concentrating upon the rate commission bill, Big Business organized business men's mass meetings throughout the State, and with the help of favored or timid shippers, sent committees to Madison to protest to the Legislature. Thus this bill in the interests of fair business was beaten by business, and, with the primary election referendum, is an issue in this year's campaign (1904).

As I have tried to show, however, the fundamental issue lies deeper. The people of Wisconsin understand this. The Stalwarts dread the test at the polls. But what other appeal was there? They knew one. When the Republican State convention met this year, the Stalwarts bolted; whatever the result might have been of a fight in the convention, they avoided it and held a separate convention in another hall, which, by the way, they had hired in advance. The Halfbreeds renominated LaFollette; the Stalwarts put up another ticket. To the Stalwart convention came Postmaster-General Payne, United States Senators Spooner and Quarles, Stalwart Congressmen and federal officeholders—the Federal System. The broken State System was appealing to the United States System, and the Republican National Convention at Chicago was to decide the case. And it did decide—for the System. I attended that convention, and heard what was said privately and honestly. The Republicans who decided for Payne-

Spooner-Pfister-Babcock, et al., said "LaFollette isn't really a Republican anyhow."

Isn't he? That is a most important question. True, he is very democratic essentially. He helped to draw the McKinley tariff law and he is standing now on the national Republican platform; his democracy consists only in the belief that the citizens elected to represent the people should represent the people, not the corrupt special interests. Both parties should be democratic in that sense. But they aren't. Too often we have found both parties representing graft—big business graft. The people, especially in the West, are waking to a realization of this state of things, and (taking a hint from the Big Grafters) they are following leaders who see that the way to restore government representative of the common interests of the city or State, is to restore to public opinion the control of the dominant party. The Democrats of Missouri have made their party democratic; the Republicans of Illinois have made their party democratic. The next to answer should be the people of Wisconsin. The Stalwarts hope the courts will decide. They hope their courts will uphold the decision of the National Republican Party, that they, who represent all that is big and bad in business and politics, are the regular "Republicans." This isn't right. The people of Wisconsin are not radicals; they are law-abiding, conservative, and fair. They will lay great store by what their courts shall rule, but this is a question that should be left wholly to the people themselves. And they are to be trusted, for no matter how men may differ about Governor LaFollette otherwise, his long, hard fight has

developed citizenship in Wisconsin—honest, reasonable, intelligent citizenship. And that is better than “business”; that is what business and government are for—men.³

³ Governor LaFollette was reëlected by a large plurality; he was chosen United States Senator, but he served one year as governor before he accepted his seat in the Senate.

RHODE ISLAND: A CORRUPTED PEOPLE

SHOWING THAT AMERICAN CITIZENS CAN BE
BOUGHT (CHEAP) TO SELL OUT THEIR
CITIES AND STATES

(February, 1905)

THE political condition of Rhode Island is notorious, acknowledged, and it is shameful. But the Rhode Islander resents the interest of his neighbors. "Our evils are *our* troubles," he says; "they don't concern the rest of you. Why should we be singled out? We are no worse than others. We are better than some; we want to set things right, but can't. Conditions are peculiar."

This is all wrong. The evils of Rhode Island concern every man, woman, and child in our land. For example:

The United States Senate is coming more and more to be the actual head of the United States Government. In the Senate there is a small ring (called the Steering Committee) which is coming more and more to be the head of the United States Senate. The head of this committee is Senator Nelson W. Aldrich, who has been described as "the boss of the United States," "the power behind the power behind the throne," "the general manager of the United States." The fitness of these titles is questioned, but it is a question of national politics, and all I know to the point in that field is what everybody knows: that Senator

Aldrich, a very rich man and father-in-law of young Mr. Rockefeller, is supposed to represent "Sugar," "Standard Oil," "New York," and, more broadly, "Wall Street"; our leading legislative authority on protective tariff, he speaks for privileged business; the chairman of the Senate Finance Committee, he stands for high finance. These facts and suppositions, taken together with the praises I have heard of him in Wall Street and the comfortable faith he seems to inspire in business men all over the country, suggest that we have in Senator Aldrich the commercial ideal of political character, and—if not the head—at least the political representative of the head of that System which is coming more and more to take the place of the passing paper government of the United States.

What sort of a man is Senator Aldrich? What school of politics did he attend, what school of business? What kind of a government is it that forms the traditions and perhaps the ideal of the most powerful man in our national legislature? What kind of a government does he give his own people in his own State? In brief, what is the System that he has produced and that has produced him? These are questions of national interest, and Rhode Island can answer them. Mr. Aldrich is the senior Senator for Rhode Island and Providence Plantations.

And Rhode Island throws light on another national question, a question that is far more important: Aren't the people themselves dishonest? The "grafters" who batten on us say so. Politicians have excused their own corruption to me time and again by declaring that "we're all corrupt," and promoters and swindlers alike describe

their victims as "smart folk who think to beat us at our own game." Without going into the cynic's sweeping summary that "man always was and always will be corrupt," it is but fair while we are following the trail of the grafters to consider their plea that the corrupt political System they are upbuilding is founded on the dishonesty of the American people. Is it?

It is in Rhode Island. The System of Rhode Island which has produced the man who is at the head of the political System of the United States is grounded on the lowest layer of corruption that I have found thus far—the bribery of voters with cash at the polls. Other States know the practice. In Wisconsin, Missouri, Illinois, and Pennsylvania "workers" are paid "to get out the vote," but this is only preliminary; the direct and decisive purchase of power comes later, in conventions and legislatures. In these States the corruptionists buy the people's representatives. In Rhode Island they buy the people themselves.

The conditions are peculiar. As the Rhode Islanders say, their State is peculiar in many ways. But it is American. The smallest of the States, it is one of the biggest in our history. Poor in soil, it is rich in waterways, and the Rhode Islanders, turning early from agriculture to manufacture, made goods which they sent forth from their magnificent harbor to all the world in ships that brought home cargoes of wealth. One of the New England group of colonies, Rhode Island was founded as a refuge from the Puritan intolerance of Massachusetts. One of the "Original Thirteen States," it was the first (May 4,

1776) to declare its independence of Great Britain, and the last (May 29, 1790) to give allegiance to the United States. So the American spirit of commercial enterprise and political independence has burned high in Rhode Island. There is nothing peculiar about that, and there is nothing peculiar about the general result of the corruption of the State.

Rhode Island is an oligarchy. But so were Wisconsin and Illinois and Missouri, and so are New York, Pennsylvania, and New Jersey. The oligarchy is the typical form of the actual government of our States. There is one peculiarity about the Rhode Island oligarchy, however. It is constitutional. The oligarchies of other States were grafted upon constitutional democracies. Rhode Island never was a democracy, and in that peculiarity lies the peculiar significance of this State to the rest of us.

Rhode Island has a restricted suffrage. Many a good American thinks that if we could "keep the ignorant foreigner from voting," and otherwise limit the suffrage to persons of property who would have a direct, personal, financial interest in government, we then should have good government. Should we? Rhode Island can answer that question. Again, many "thinkers" have thought that it was the wicked cities with their mixed populations which have degraded and disgraced us, and that if we could but devise some scheme of representation by which the balance of power could be given into the honest hands of the good old American stock out upon the healthy countryside we then should be saved. Rhode Island has such a scheme. The significance to the rest of us of the story of Rhode

124 STRUGGLE FOR SELF-GOVERNMENT

Island lies in the fact that its essentially typical condition was reached under extraordinary circumstances, which some "leading citizens" in other States think would correct their evils.

"Leading citizens" have made Rhode Island what it is. They always have ruled there. I have called the State an oligarchy. It used to be an aristocracy. "Freeholders" and their eldest sons alone participated in the colonial government under the charter of Charles II., and after the Revolution, when all the other States adopted constitutions, Rhode Island went on under its royal charter of 1663 and an "unwritten constitution" till 1842. I cannot stop to describe this "landed aristocracy" in an American State. It is sufficient that it closed with the Dorr Rebellion. The abuses were so intolerable that the people, the patient American people who have submitted to Croker, Quay, Cox, and other despots, rose in open revolt.

The next experiment was a "commercial aristocracy." ✓ The constitution of 1842 "extended" the suffrage from holders of real to those also possessed of personal property—if they were native born. The "foreign vote" was restricted as before to real estate holders till 1888, when ✓ personal property qualified a foreign-born as well as a native voter. The "mob," which owned nothing and paid no taxes, was allowed to vote, but only upon registering four months before election and then not "upon any proposition to impose a tax or the expenditure of money." These registered voters, for example, cannot vote for members of city councils.

The most effective restriction of the suffrage, however,

was established in the constitutional scheme of disproportionate representation. The Governor, elected by a majority (now by a plurality) of the voters of all classes, was made a "pure executive"; he had no veto. All legislative powers were lodged in the General Assembly of two houses. The lower branch, the House of Representatives, is limited to seventy-two members, no matter what the population may be, and while each town shall have at least one representative, no city may have more than one-sixth of the membership. This is undemocratic enough, but the Senate, says the constitution, "shall consist of one Senator from each town and city in the State."

Here is the crux of the situation. A town in Rhode Island is what is known to most of us as a township. There are thirty-eight "towns and cities" in the State. Their population in 1900 was 428,551. Of this total, 36,027 lived in twenty towns. Thus less than one-eleventh of the people of the State elect more than five-tenths—a majority—of the Senate. Providence, with 29,030 qualified voters, has one Senator; Little Compton elected one, one year, by a unanimous vote of seventy-eight. There are fourteen such "towns" with less than 500 qualified voters; there are twenty with less than 2,000 each. Thus was the sovereignty of the State put into the hands of the "good old American stock out in the country."

What happened? The "best people" continued to rule. The "best people" of the period after the new constitution were manufacturers, but their fine old houses stand to-day as witnesses not only to their wealth, but also to a refined taste. There can be no doubt that they came as

near forming a real aristocracy as commercialism can produce. They certainly were just the kind of men that many theorists say should have control of government. Well, they got control in Rhode Island. How? With money. Aristocrats though they were, they were business men first, and they went after the key to control in a businesslike way. They bought up the towns. The "best people" sent offers of bribes to the good people of the countryside, and the good people took the bribes and let the best people run the government. It was a commercial aristocracy that corrupted the American stock in Rhode Island and laid the foundation of the present financial and political System of corruption in the State.

This class ruled till well down into the eighties, and its leader, Senator Henry B. Anthony, "discovered" and promoted Nelson W. Aldrich, his successor, who represents the System, and General Charles R. Brayton, the boss who developed and directs it. Since Anthony's time, the latter-day business man—he who makes, not cotton goods, but money—the captain of finance, has succeeded to the control, but he has not disturbed the foundation stone of the System. He also rules with money. He, too, sends bribes to the towns of Rhode Island, and to him also the good "country" American has surrendered his sovereignty. There is no doubt about this. The corruption of the voters of the towns of Rhode Island is so ancient and so common that Governor Lucius F. C. Garvin addressed in March, 1903, a "Special Message concerning Bribery in Elections to the Honorable, the General Assembly," etc.:

GENTLEMEN:— . . . That bribery exists to a great extent in the elections of this State is a matter of common knowledge. No general election passes without, in some sections of the State, the purchase of votes by one or both of the great political parties. It is true that the results of the election may not often be changed, so far as the candidates on the State ticket are concerned, but many Assemblymen occupy the seats they do by means of purchased votes.

In a considerable number of our towns bribery is so common and has existed for so many years that the awful nature of the crime has ceased to impress. In some towns the bribery takes place openly; is not called bribery, nor considered a serious matter. The money paid to the voter, whether two, five, or twenty dollars, is spoken of as "payment for his time." The claim that the money given to the elector is not for the purpose of influencing his vote, but is compensation for time lost in visiting the polls, is the merest sophistry, and should not deceive any adult citizen of ordinary intelligence. It is well known that in such towns, when one political party is supplied with a corruption fund and the other is without, the party so provided invariably elects its Assembly ticket, thus affording positive proof that the votes are bought and the voters bribed. . . .

This startling official arraignment had no appreciable effect within the State. It was too true. But the message attracted outside attention, and Mr. Edward Lowry, of the New York *Evening Post*, and Mr. Waldo L. Cook, of the Springfield (Mass.) *Republican*, made investigations so thorough and reports so complete that, though I went over the same ground with more time and more deliberation,

I found nothing to correct and little to add to their facts.

Nine of the towns are absolutely purchasable; that is to say, they "go the way the money goes." Eleven more can be influenced by the use of money. Many of their voters won't go to the polls at all unless "there is something in it." But there need not be much in it. Governor Garvin quoted a political leader in one town who declared that if neither party had money, but one had a box of cigars, "my town would go for that party—if the workers would give up the cigars." In another town one party had but one man in it who did not take money, and he never voted. A campaign marching club organized for a presidential campaign paraded every night with enthusiasm so great that the leaders thought it would be unnecessary to pay for votes in this town; few of the members voted. Another time, when no money turned up at a State election, one town, by way of rebuke to the regular party managers, elected a Prohibition candidate to the Assembly.

Both parties buy votes, and though the practice seems to have destroyed completely all loyalty to the State, some loyalty to party remains in most of these towns. But even this sentiment is mercenary. The Democratic leader of a Democratic town told me that he has to pay something always. "For instance," he explained, "my town is all right. The Republicans can come in there with more money than I have, and I still can hold it. Suppose they have enough to pay ten dollars a vote and I can give but three; I tell my fellows to go over and get the ten, then come to

me and get my three; that makes thirteen, but I tell them to vote my way. And they do. And the Republicans do the same in their solid towns when we go in to outbid them." Another instance stated to me by a campaign manager was the experience of a "respectable business man" who lived in a town that usually "went wrong." The manager wanted to carry that town, and he asked the business man to do it. "I offered him a few hundred dollars," he said, "and he wouldn't take the money at first; said it would be of no use among the kind of men he could influence. But I got him to try it, and after election when he came to report he had learned something. He had spent most of the money, and he was astonished at the character of the men who took such money. 'Why,' he said, 'they took it as easy as you please.' They asked why we hadn't done that before. They said they were willing to vote our way if only we would make it interesting!"

This "respectable business man" discovered the most depressing development of the Rhode Island practices—the kind of voters that take bribes. They are Americans; others, too, but the worst of these rotten boroughs are the "hill towns," so called because they lie back away from the harbor and river and "big cities," up on the hills. There is the American stock pure; too pure, some apologists say; the hill towns are called degenerate. Maybe they are. The population of many of them has decreased slowly, but pretty steadily, for a hundred years. "The most courageous of the people have gone out," you hear, "and little new blood has gone in." But that only proves

the point. These pure Americans are corrupt. Another consideration to be weighed is that the temptation has been severe and long. With so much power to bestow, their votes have been eagerly sought, as very valuable. But this accident only explains, perhaps, why other, more populous, districts elsewhere are not corrupt; they have not been tried. It is cheaper in Providence to bribe the opposition leaders, and in Missouri and Wisconsin to wait and buy the select men of the people, not the people. Where the people are tempted, in the country "towns" of Rhode Island, the people sell out.

And Rhode Island proves the willingness to buy. The respectable business man, who was astonished at the standing of the men who sold, was ready enough to buy, and he did buy, and he had no astonishment for his own conduct. Bribe-giving is "not so bad." Some men who talked to me of their vote-buying knew and said, and one of them plainly felt, that it was a shameful practice, but they all regarded it as necessary. Governor Garvin referred once publicly to a "district judge" who so regarded it, and so notorious is this case that a dozen men named the judge to me. The Democrats, who, being out of power, stand for reform and a new constitution, do not see how they can get control long enough to make the needed changes without more money than they can raise in the State, and the hope of some of the leaders is that an exigency will arise, say in national politics, which will enable them to collect enough "outside capital" to buy up the State for their party.

Bribery, bribery of the people, is a custom of the coun-

try in Rhode Island; it is an institution, and, like the church or property, it is not safe to attack it. This may sound preposterous, and there is a public opinion against the custom, but the country clergy, as Mr. Lowry showed and as Bishop McVickar of the Rhode Island diocese of the Episcopal Church confirmed, do not denounce bribery from their pulpits; they do not dare. The Bishop declared that the country clergy could not "speak out without coming to financial grief and ruin," and he proposed "doing something, so that no one will dare threaten local ministers with the loss of their positions." What does the Bishop mean by such language? "It is an outrage on our civilization," he added, "that young men of the church with high ideals should be put under the ban of the power of political immoralities and forced to acquiesce in evil for the sake of their families."

The good Bishop was pointing, when he spoke thus, at the System, of which this bribery institution is the cornerstone. Back of the vote-buyers are the most powerful interests of the State, the friends of "all that is," and even Bishop McVickar has been unable to do the "something" to free the clergy. The head men in the churches, the leading citizens in the State, the captains of finance and industry, won't let the clergy "preach politics"; they may preach the Gospel, not morality, not practical morality.

What is this precious System that can compel the respect, of silence at least, even from the Church? It is just such a typical financial political organization as we have seen in other States, only plainer; as General Brayton, the

boss, says: "Bad, but not a bit worse than in many other States. Because Rhode Island is small, you can see things better; that's what makes the difference." But that is a most encouraging difference to those who want to see things better. Business men are back of the politicians that rule most corrupt States; in Rhode Island they are in plain sight, and everybody knows them and their operations. Here, also, there are politicians to "do the dirty work," but the very politicians in this State are not of the "low-down" sort. They are not "Irish immigrants"; the Irish are in opposition here. Nor are they saloon-keepers and keepers of disorderly houses, gamblers, and the "scum of the earth." So purely a business government is this that the officers and legislators, the bosses and the leaders, are typically native-born citizens of professional and business occupations. General Brayton himself comes of a fine old Rhode Island family, with a revolutionary record and a line of sons reaching from the Supreme Court bench to Congress; the boss went to Brown University and served with credit in the Civil War. Though he had himself admitted to the bar apparently only to enable him, as a St. Louis grafter put it, "to take fees, not bribes," none the less the boss is a lawyer.

And he is a "character." He is old now, blind, and some of his political friends said he was mentally weakened. I think they feared his candor; though, when I called, his relatives, after consulting with him, and reporting that he felt he had better not talk, they put the refusal on other grounds. It is better so, for whereas I make it a rule to treat such interviews as confidential, Mr. Lowry had

his for publication, and here it is, a remarkable outline of the Rhode Island government by General Brayton himself:

“There is a lot of talk of bribery here, but . . . I don’t think there is much outright vote-buying done; the voters are paid for their time, because they have to leave their work and come down to the polls. Sometimes that takes all day. The Republican party shouldn’t be blamed for the present state of affairs. The Democrats are just as bad, or would be if they had the money.

“The manufacturers in the State are really to blame for present conditions. If they would only hang together and wanted to do it, they could clean out the State in no time at all. They give to the Republican campaign fund in Presidential years, but usually when you go to them to get money for State elections they say: ‘Oh! we’ll take care of our town’; so in that way all of the towns in the State are peddled around, each manufacturer caring for his own town. Some of them haven’t treated the party just right. The Republicans have never passed any legislation that would bother them, like the ten-hour law and things like that, until there was such a strong demand from the labor people and the citizens that the party had to do it.”

“What is your share in the forming of legislation and the passage of bills?”

“I am an attorney for certain clients and look out for their interests before the Legislature. I am retained annually by the New York, New Haven and Hartford Railroad Company, and am usually spoken of as ‘of counsel’ for that road. Of course, I don’t have anything to do with

damage suits or matters in relation to grade crossing. As everyone knows, I act for the Rhode Island Company (street-railway interests), and I have been retained in certain cases by the Providence Telephone Company. In addition to these I have had connections, not permanent, with various companies desiring franchises, charters, and things of that sort from the Legislature. I never solicit any business," added General Brayton, without a smile. "It all comes to me unsought, and if I can handle it I accept the retainer."

"What is your power in the Legislature that enables you to serve your clients?"

"Well, you see, in managing the campaign every year I am in a position to be of service to men all over the State. I help them to get elected, and, naturally, many warm friendships result, then when they are in a position to repay me they are glad to do it."

The elected Governors of Rhode Island are called "administrative mummies." They have sat for years without power and without homage in the State House, while across the hall, in the office of the High Sheriff, Boss Brayton was the State. He directed the General Assembly. His word was law. He did not have to "dicker, trade, and buy," there was no "addition, division, and silence" for him. He handled the campaign funds of "the party," and with them the voters were bought at the polls. The legislator returned by the electors came bought. When the time for local caucuses was approaching, the party leaders came down to Providence to get money for expenses from Brayton.

"How much do you think you will need?" he would ask.

"Oh, say \$500."

"Five hundred dollars to carry that town! Who's your man for Senator?"

The leader would tell him. If the local candidate suited Brayton, a bargain was struck as to the amount; if not, he would say pointedly: "I guess there isn't any money for you this year."

The leader then had to go back and pick out another candidate, or, perhaps, Brayton would give him a suggestion which the "other fellows" would have to "agree upon." At any rate, Brayton had to be satisfied or the party got no money for expenses.

When the General Assembly met he directed its labors, and his masterfulness is unprecedented. A good-natured, generous man, he adopted a cross, surly tone, which, alternating with kindness, made men fear and like him, too. Not at all vindictive, he punished severely as a matter of policy. If a member of the Legislature disobeyed him, he would say, "That man shan't come back," and that man rarely could be renominated and reëlected. He was very open, and hundreds of anecdotes are told to illustrate his methods.

The Springfield *Republican* reported two, which are well known. Once, when the House of Representatives was in prolonged session, Brayton became hungry. "D—— it!" he exclaimed, "who is that fool talking in the House? It's lunch time and past. Sheriff, go in and see that the House adjourns." The House adjourned. Another time,

this conversation was overheard between the angry boss and a most humble Republican floor leader :

“ D—— it, can’t I have a little bill passed when I want it? ” said the boss.

“ But, General, I didn’t know you were interested in that bill.”

“ Well, I am, and I want it passed right away.”

That little bill was passed right away.

“ Where’s Senator ——? ” said the boss in his blindness one morning when he arrived in the State House.

“ In the Senate,” said someone.

“ Get him,” said Brayton. “ Bring him here. I want him to lead me out to [let us say] drink.”

Such was the discipline of a coarse man made peevish by too much power. The only wonder is that men put up with it. But Brayton could reward, too. He had “ success ” as well as “ failure ” to bestow. The General Assembly “ elects ” judges, sheriffs, and fills most of the offices in between. It is the road to success, and Brayton has made it a rule to send on to these higher offices, even to the Supreme Court of the State, men who have served him in the General Assembly, thus controlled and thus disciplined. The law allows legislators to serve as district judges while sitting in the Legislature, and they do. The effect on the courts of all this is not for me to discuss (it is said to be “ not so bad as you would think ”). The effect on the Legislature is to make it absolutely subservient to the boss, who really appoints to all these offices, and thus controls all the patronage of the State. More than that, he has business to give—business that is not

political. It puzzled me at first to find that there was so little bribery in a Legislature so corruptly devised. The pay of Senators and Representatives was small, and some of them served for years without the reward of promotion to the bench or any other office. The chairman of a most important committee explained it all frankly to me. There was some bribery, he said, but it wasn't typical. When he first opened his law office, a small corporation offered him \$5,000, besides his fee, if he could put through the Legislature an amendment to their charter. William G. Roelker, the Senator at the head of the committee that would decide, said it should not pass. The young lawyer did not know Brayton, but he went to him and told him all about his business.

"I told Brayton," he said, "just how it was; that I wanted that \$5,000, and after talking a long time to me, the General said he'd see about it; for me to come the next day. I went at the appointed time and Brayton was out. I was 'hot,' till a friend of mine came up and said my bill was through. Brayton had done it before he said he would, and when I offered to divide the five thousand with him, he nearly threw me out of his office. But he threw me into politics all right. He knew he was putting me under obligations forever; oh, he was shrewd all right. But wouldn't you go the limit for a man that gave you your first lift like that?"

I have heard thoughtful Rhode Islanders say that by such methods, by a cynical tone with young men and sneers at their college education and high ideals, by assisting them in "crooked business" and getting his

138 STRUGGLE FOR SELF-GOVERNMENT

corporations to employ the "good fellows" and ignore the "fools," General Brayton has corrupted more of the youth of the State than any man that ever lived in it—Brayton and his business backers—the men and interests he *says* he represents.

For Brayton was the front, not the head, of the System. Say what you will about the "boss," no one man can do what any American boss has done without the powerful backing of the "vested interests" of a community. Brayton had great personal power; he "organized" the Republican party; he systematized the corruption of voters; he chose legislators; he organized the General Assembly and ran it; he has gradually altered the government of the State. But he did not do this for his own uses. Brayton is not rich. He says himself that he took "fees" for legislation, but they were fees, not fortunes. The New Haven Railroad's annual retainer was only \$10,000. His fee for an ordinary bill was \$500. I know of one company that paid him as high as \$1,000, but that was for a piece of legislation worth, in Missouri, for instance, at least \$25,000. Like the voters of Rhode Island, like the local leaders, like the legislators, the boss of Rhode Island was cheap. "I often told him that," said one of his lieutenants to me when I had expressed this opinion, "and now that he is getting out, we'll raise some prices." Brayton was a bad and an able man, but he was a tool, and he realizes it now: "I have been the scape-goat of the party for twenty years."

Who are "the party" in Rhode Island? As I have said above, they are and they always have been the "leading

business men" of the State. First the old aristocracy, then the old manufacturers, and Brayton's growl because they would not let him spend their bribery funds in their own towns is an echo of a past relationship. Then came the railroads, and the annual retainer of \$10,000 is what the scientists would call a rudimentary vestige of their interest. After steam comes electricity, and it is the electric railway men who are at the head of the government now. For, as General Brayton explained to Mr. Lowry, he serves others with "the understanding that when their interests conflict with those of the Rhode Island (street-railway) Company, the street-railway people are to have first call." So the Brayton government is a business government. The cost to the character of the people of the State is heavy, but never mind; Rhode Island has what honest business men of this country have long honestly said we ought to have in all States and all cities in the United States, a business government—of the business men, by the business men, and for the business men. What have the Rhode Island business men done with it?

The old aristocracy, we have seen, drove the people to revolt. The old manufacturers sought a high protective tariff, and they got it. The railroads sought rights, privileges, and property, and they got them in the way they preferred, by bribery, not by a fair contract with the State. This is what Rhode Island's older business rulers did with political power. Now for the "trolley crowd"; what have they done with it?

They financed it. They organized it into a company which they are selling to outside capitalists.

"They" are Marsden J. Perry, William G. Roelker, and the Hon. Nelson W. Aldrich. Perry is the business man. He began life a poor boy, had some sort of connection with a theatrical show, till, entering the chattel mortgage business, he made himself a banker, promoter, and finally Rhode Island's first captain of finance. He is really an able man, dangerous, but only because he is spoiled by power. Roelker is the lawyer. Counsel to corporations, he was after money, and when they all got that he retired to play at Newport. Aldrich is the politician of the group. He also began life humbly, as a clerk and bookkeeper, first in a market, then in a wholesale grocery business, and in this he worked up to a partnership. Thus he was a business man originally—he is yet, for that matter—but business men in Rhode Island do not neglect politics, and Aldrich became alderman, legislator, Speaker of the House, Congressman, and, finally, Senator. Having served it step by step, this leader of the United States Senate may truly be said to be a product, as he is now the supreme head, of the Rhode Island System.

There were others concerned with these three men, but they, representing the business, the law, and the politics of the State, conceived and carried to success a scheme to buy up, equip with electricity, and not only run, but finance, the old horse-car lines of Providence, Pawtucket, and, later, of the State. The first steps were taken in secret, but I understand that the plan originated with Perry. He was getting interested in public utilities and had put a lighting deal through the (business men's) city council of Providence. While he was thus in touch both

with finance and politics, he had neither the capital, credit, nor political power needed for such a scheme as this. You don't have to have money for big as you do for small business; influence will do, financial and political "pull." Aldrich had both. As the highest representative of political power in the State, its senior Senator should have been the man most to be avoided and feared. His duty, if he took any part at all, was to see that the interests of the State were protected. But that is a moral, not a practical, view to take of business and politics. Aldrich, as the Senator for Rhode Island, had gone to Congress as the representative of protected, that is to say, privileged, business. Indeed, it was as the representative of manufacturers of his State that he felt bound to make himself an authority on tariff legislation. And it was as such that the chairman of the Senate Finance Committee came in touch with Wall Street, the trusts, and the so-called moneyed interests. It was natural for a Rhode Islander to think of him for such business as Perry had before him. And Aldrich joined Perry; he became a partner in his scheme; he delivered Brayton and Brayton's System; and, besides the actual government of his State, Senator Aldrich brought to back the scheme capital from out of the State.

One of the explicit charges against Senator Aldrich was offered as an explanation of the scandalous campaign to elect about this time (1892) a Legislature to return him to the United States Senate. It was repeatedly made by Colonel A. K. McClure, the editor of the *Philadelphia Times*, and never denied by Mr. Aldrich, who, however, says he never denies such things. Colonel McClure de-

clared that Aldrich, as chairman of the Finance Committee of the Senate, added to the House tariff schedules one mill—worth \$3,000,000 a year to the Trust—to the duty on Sugar. “When this bill came to the Senate,” said Colonel McClure in his Boston speech, “there was no open demand for an increase, but Senator Aldrich had a battle in Rhode Island, and it was a battle royal for cash. He had to be reëlected to the Senate, and he gave an additional one-tenth of one per cent. to the sugar men, and the sugar men fought that battle in Rhode Island and reëlected him.”

Just as Providence people were wondering where the money for that campaign came from, so they wondered who the men were in the railway deal and where that money came from. The street-car stock was bought up at advancing prices, and Brayton’s Legislature was turning out bills to enable willing councils to grant franchises. Evidently they were powerful men, but all was a mystery till in 1893 the United Traction and Electric Company was organized. Then Senator Aldrich appeared as president; John E. Searles (sugar) as vice-president; F. P. Olcott (Central Trust Company), treasurer; and Perry and Roelker as officers, directors, or stockholders in the subordinate companies; and the money proved to have been loaned by what is known in New York as the (Central) “trust company of the sugar crowd.” The promoters issued \$8,000,000 of bonds to pay for the property they bought and to equip it with electricity, and \$8,000,000 of stock, which they divided among themselves, they and their outside backers, eight in all.

But they were not yet through. Considering their inexperience in such business, Aldrich, Perry & Co. displayed unusual foresight. The scheme, still to be executed, was to gather practically all the public utility companies in and around Providence into one great parcel, "The Rhode Island Company," and, way back in 1891, their first legislation was a general act providing that any town or city might grant exclusive franchises. In 1892 the General Assembly passed special acts for such exclusive franchises to the street-railway, gas, and electric light companies. These franchises were to be for twenty years; they might just as well have had them for ninety-nine years, but it is amazing to see how often these public utility political business men all over the country have been satisfied with short-term grants. Apparently they thought only of a quick turn for cash. Perry, Aldrich & Co. made this mistake. It is said that they discovered it when they began to approach Philadelphia capital to sell out. Down there the captains of political industry had grants for 999 years, and they pointed out the defect in the Rhode Island charters. By that time it was almost too late.

Opposition was developing to this abuse of the powers of the State for private exploitation. The public, especially in Providence, began to ask questions and make demands. These demands were very moderate, and they seem finally to have resolved themselves into one—for a transfer system. Now, any expert street-railway man knows that transfer tickets wisely given increase traffic and profits, but President Aldrich was not such an expert. He was a "power behind a power," and he declared that

the company could not pay interest on the bonds and dividends on its (watered) stock if the transfer privilege were granted. The absurd public continued, none the less, to regard this private business as a public convenience, and the cry was still for transfers. The company, which had got so much for little or nothing (a graduated tax of from three to five per cent. of the gross receipts), seeing that it might have to yield, looked about for something to get out of the public for the transfer privilege. Why not an extension of its twenty-year franchise? A bill was put through the ever-ready General Assembly providing that a new contract, for transfers, etc., might be entered into by the companies and the City of Providence "for a term of not more than *twenty-five years from the date of such contracts.*" Thus was the franchise to be extended. The trick was seen, and the public, having no effective representation in any branch of the government, resorted to mass meetings to prevent the city council from entering into the new agreement. The city council, composed, mind you, of business men, not of typical aldermen, and elected by a restricted suffrage, was a part of the State System; it had been put up to ask for this bill; it had asked for it; and now failed to clinch the bargain only through fear of the extra-legal expression of the public will.

The next scheme appeared in an act (General Assembly, 1896) which provided for transfers at certain valuable central sites, which the city was to give to the company. This was no more preposterous than giving away miles of streets, but the public, again by sheer indignation, beat its own government. The transfer controversy went on

for years, till 1902, and then the Legislature required the company to give transfers, but only so long as five-cent fares were paid. The agitation for three-cent fares had arisen in other places, and the Rhode Island Company, under the guise of giving "free transfers," fixed the fare at a nickel forever. That was the purpose of the act. And the effect of the "free transfers" was a sudden upward leap of earnings!

Meanwhile the company had been extending its lines, procuring franchises, privileges and unlimited rights in all the cities and towns that it cared to "tap." I know no councils so "respectable" and I know few grants more ridiculous in their terms. That of Bristol, which is typical, gives the company every license, excepting that it is subject to police and health regulations which the town authorities shall prescribe. This sounds almost "socialistic" in Rhode Island, but a characteristic clause is added: "with the consent of the company."

But Aldrich, Perry & Co. were in this business to sell out, and they had to have a perpetual franchise. They got it, and the act by which they got it is the "smartest" piece of legislation that I know of anywhere. "An act to increase the revenues of the State," is the title. The company, having failed to pay to the City of Providence the increased tax due, was being annoyed by public clamor, and irresponsible persons were beginning to take up the franchise tax notion. To head off all such dangerous radicalism once and forever, the company's Legislature put a State tax of one per cent. on the gross earnings of all street-railway companies, this to be "in lieu and

satisfaction of all other taxes, excises, burthens, or impositions by or under the authority of the State." As in the Bristol franchises, as in the Providence transfer act, as in practically all such corporation legislation in this State, the law, however, was to become binding only when each company had given its consent.

But all this is by the way. The masterpiece of legislative treason—for it is no less—in this act, is the rest of this consent clause; which says that when the company has agreed, the act "shall be binding and in full force between the State and such assenting company, and shall not be altered or amended without the consent of both parties." Governor Garvin characterized this as an "irrepealable law." It is a contract between United States Senator Aldrich as the State and President Nelson W. Aldrich of the street railway company, by which, without the consent of his company, his State cannot tax his company or alter or take back its franchise. It passed, and is believed by the company to be what Boss Brayton calls it, a "perpetual franchise."

With this legislation, these remarkable men passed for themselves also a charter, a sort of omnibus grant to lease, buy, etc., etc., all gas, electric light, street-railway, etc., etc., corporations in the State. This also was irrepealable, unlimited, etc., etc.; it was for a company to "hold" the public utilities in the State, and the name thereof was, fittingly, The Rhode Island Company. Even Pennsylvania capital could ask no more than the Rhode Island captains of industry, politics, and law had to offer, and the deal was going through when a gross error was made.

There had been some outcry at the doings of the Legislature of 1902, and to pacify the workingman a ten-hour law was enacted for street-railway conductors and motor-men. The company consented and notice was posted on the car barns. Suddenly the notice came down, and Aldrich resigned the presidency of the company. It is understood that the "Philadelphia folks kicked; said they'd agreed to buy an eleven-hour road, and they wouldn't take a ten-hour road." The law was mandatory, but that didn't matter to the Rhode Island Company. They refused to obey the law.

There was a strike. The men "had recourse to lawlessness," especially in Pawtucket. This was anarchy. The company was breaking a law itself, but that wasn't anarchy. Anarchy arises where other people break laws and injure *my* property. The company demanded police protection, such police protection as it had in Providence, where the State controlled the city police. Not satisfied with the conduct of the Pawtucket police, they had deputy sheriffs appointed and the militia called out to enforce the law (against the men). Thus the company won the strike, but the law that caused it stood. The courts were asked to declare it unconstitutional, but the courts could not see it so, and the company was in a bad fix. It was not without resources, however. Rhode Island has among its other preposterous institutions a post-election session of the Legislature. The General Assembly meets in the winter, and having done all it dares, adjourns till after election day in the fall; then the expiring body, no longer answerable at the polls, does what the "power behind the power"

directs. After the election of 1902 the General Assembly which had passed it unanimously killed that ten-hour law and threatened to take from the city and give to the State the control of the Pawtucket police!

Aldrich, Perry & Co. were in a position now to proceed with their business, and they moved fast. We need not follow them. It was all a matter of high finance. By a complicated process of stock transfers, leases (for 999 years), and "sales," all among themselves, but through the medium of several underlying operating and holding companies, they managed to develop a total capitalization of \$39,160,200, while they still left the control of the property in the Rhode Island Company, with a capital of \$2,000,000. Perry is president of this company, but the famous U. G. I. (the United Gas Improvement Co.) of Philadelphia owns it. What the promoter's profits are I can't reckon, and the brokers to whom I applied in Providence declared they couldn't; they said they didn't understand it all. This much is certain, however: Aldrich, Perry, and Roelker made fortunes out of it.

They made these fortunes out of their political power, but, as one of their defenders said, they did it without breaking a law or committing a crime. But how could they commit a crime? They were above the law. It was their law; they made it. True, they disobeyed the ten-hour law, but that was "necessary," and exceptional. As in Philadelphia and Pittsburg, the System was so perfect that all they had to do, if they wished to commit a wrong, was to pass a law to make it right. This might take time, but wherever they could afford the time, they were pa-

tient. See how they waited, three or four years, for the irrevocable law that gave them their perpetual franchises!

Of course, they abused the law; they abused their legislative powers in the General Assembly, but they did this in the interest of business. "This is a business country, and the government is there to help business." Is it? An ex-official of the United State Treasury Department, who now is a prominent banker, said that to me once, and it is a common view taken by business men of the corruption of government in the interest of business. But is that what "the government is there for"? I think not. I think that it is this legitimate, business graft, not police blackmail, which is the chief cause of our political corruption, but this is no place for "academic" reflections. The point is that this must be the view taken of political power by Marsden J. Perry, one of the typical captains of industry of the United States, and by Nelson W. Aldrich, the head of a State and of the United States Senate. Let us say, however, that because the chosen people of Rhode Island sold out at from \$5 to \$25 a vote the sovereign power of the State, their financial and political representative had a right to sell a part of that power to outside capital for some \$40,000,000.

The next question is, what did they do with the rest of their power? They ruled; how did they rule? Suppose that it was right for them to rule and, ruling, to grant themselves extraordinary privileges. We hear that we cannot have the services in politics and government of able business men without paying for it. Let us put this forty millions down as fair pay for the privilege Rhode Island

had of being governed by the ablest business men in the State. What have the business rulers of Rhode Island given in return?

The old manufacturers, having got what they wanted, a protective tariff, gave loyal allegiance to—what? To the State, to the United States? No, to “the party,” to the Republican party. They let Brayton do as he pleased with the State. So with the railroad. The New York, New Haven and Hartford has “about all that it wants,” but for “protection” in those bribe-bought rights, for license to break or “beat the law,” it supports the System. That is the way it continues to pay the people of the State, by helping to keep the State corrupt.

And as for the Aldrich-Perry trolley crowd—their wants were very large and they were so exacting and so jealous that General Brayton often complained to his lieutenants about them; some people declare that the eleven-hour labor law was due to one of his revolts. And we have seen that he had to condition all his contracts for legislation with the understanding that the street-railway had first call. However, the street-railway did not want everything. What of the rest?

Boss Brayton could do what he would with what was left. They didn't care apparently. And that was Brayton's business, to sell the rest. A man could go to Rhode Island and, if he respected the rights of the trolley crowd, he needn't pay any attention to the rights of the people of the State. Rhode Island was, and it is, a State for sale. In other words, these business men's business government was a government of boodle. Having their “legitimate graft,” they

let the rest be held for sale to other business men who applied with—fees. Incredible? What else did General Brayton mean when he said that in addition to his regular retainment by the steam and electric railways, he had “connections, not permanent, with various companies desiring franchises, charters, and things of that sort from the Legislature”?

Senator Aldrich declared to me, in the face of all this, that his government of Rhode Island was “good government.” Now, he means what men of his class usually mean by the term: an administration, convenient and liberal to business, but strict with vice and disorder, and free from scandals and petty police graft. The Senator does not know whether this is true or not, nor does he care enough to inform himself. He is an inordinately selfish man, so selfish that in all the time I spent in his State I did not find, even among his associates, a single warm personal friend of the man. And as for the government of Rhode Island, General Brayton summed up the Senator’s attitude toward that when he told Mr. Lowry that Aldrich took no active part until “about a year or two before it comes time for him to be elected again; then he gets active.”

It is true that in some of the cities and towns of Rhode Island petty graft has been neglected. At one time or another this evil has appeared among them, but the small business men selected for the council of Providence, for example, by a restricted suffrage, have offended chiefly on the side of supine indulgence toward larger business graft. Just now, however, the trains are laid for the development of this wretched political-vice business there,

and a man who has the confidence of Mr. Perry, and is in the pay of Senator Aldrich, is at the head of it; his patrons may not know it, but I believe they don't care, for the same man is corrupting Democratic leaders and wrecking the opposition organization; getting it to put up tickets so bad that the Republicans can win. The Democratic city of Pawtucket is subject to the corrupt control of the Third Ward Democratic gang in combination with one branch of the local Republican organization, and when a Republican leader of another branch pleaded last fall with the State organization to cut loose from this connection, the answer he received was "not this year." "This year" a Legislature was to be elected to return Aldrich to the Senate.

The worst case of "good government," however, is that of Block Island. This ocean community has a population of 1,396, almost all descended from the sixteen original families that settled there. They always have had what they call a "king." The reigning king is Christopher E. Champlin, State Senator and a "Democrat." But Champlin "stood in" with Brayton, and this is what Brayton's business system permitted Champlin to do to his own people in his own town:

The chief business of the Block Islanders is that of hotel keeping. Champlin owns one of the largest hotels. Most of the traffic and most of the hostelries are at the eastern end of the island; Champlin's hotel is at the other end. Near it is the "Great Salt Pond," which the Senator proposed to make a harbor of by opening a breach to the ocean. The United States Government said it was not a

feasible scheme; the channel could be made, but the sand drift of the seashore would close it. The State authorized the town to undertake the work, the State to pay part, the town the rest with money loaned by the State from school funds. Year by year, fresh appropriations had to be made to keep open the breach, till the State had spent \$129,123.90, the town \$52,000. Mr. Edward M. Sullivan, a young lawyer whom Governor Garvin appointed a commissioner to investigate the situation, reported that "the harbor is used exclusively by excursion steamboats and island craft," for which there was already a haven. "Some local interest more influential than the demands of coastwise commerce . . . actuated those appropriations. The opening of Great Salt Pond was manifestly designed by its promoters, who are the principal owners of the land and its vicinity, to transfer the business center . . . to the head of Great Salt Pond. . . . Each of these appropriations was made in the closing hours of the session . . . and were not included in the appropriation bill of the committee of finance of any year. No report of the expenditure was made by the town council or the State committee . . . There has been no public bidding or competition for the work, which has been done throughout by one contractor," etc., etc.

Besides this work, Champlin received State authority to build an electric railway line between the two ends of the island. Champlin made the town borrow at four per cent. the money on which the road was to pay four per cent. The town pays its interest; but the horse-cars, which are all there is of the electric railway company, have never

made any accounting. Also, in much the same way, he had the town vote a steamboat, which he ordered of such a draft that it could enter his but not the town harbor. The town passed the legal limit of indebtedness, and the citizens were worried, but Champlin "owns" the council of five members—his brother, his father-in-law, another relative, and two loyal followers of his. The "town" voted his measure, and it might as well, for if it failed to the Legislature would. Brayton's General Assembly enacts special legislation so freely that I had almost forgotten to mention this absurdity explicitly. Besides the police of Providence and Newport, the State has taken the election machinery and many other local offices and functions from municipalities that have "gone Democratic," and where it has set up bipartisan boards, Republicans select the Democrats and thus use this power to corrupt the minority organization. The General Assembly, corrupt itself, is a corrupting upper council for every municipality in the State, as Block Island illustrates: A majority of the voters then declared, six years or so ago, under the local option law, for absolute prohibition on the island, but Champlin put through the General Assembly a special act permitting the sale of liquor on Block Island. Again, the Society for the Prevention of Cruelty to Animals arrested a street-car driver for driving the pitiful horses that draw the miserable cars of the Champlin line. The General Assembly passed a special act which prevented such interference by the society in this one town!

They will tell you in Rhode Island that Block Island is an exceptional case. It isn't. It is typical; on a small

scale it is like the case of Providence. But suppose we grant that it is extraordinary—it happened, it was possible. Doesn't it show that if you or I should go to a small town of Rhode Island, get political control, and send ourselves to the General Assembly, we could do what we would to our town? If we delivered to Aldrich, Perry, and Brayton the things that are Cæsar's, couldn't we have our Salt Pond, our poor little street-car line, and our great public debt? "Ah, but," they told me at first, "Champlin is a Democrat, and the Republican party cannot be blamed for his misdeeds." Champlin, the Democrat, was repudiated by his own party, and the Republican party took him up. He fought for his place in his party, and while he was making the contest for his "good Democratic standing," with a group of his own party for him, this man was the regular Republican leader in the Republican State Senate!

Both parties betrayed the common interests of this State. Political-financial, the System is bipartisan, too, especially in the Democratic municipalities where, as in Providence, certain Democratic leaders sell outright to the Republicans; or where, as in Pawtucket, the worst elements in both parties combine to graft upon the city; or as in Bristol, where they trade, the Democrats sharing the council and giving the Republicans the legislative delegation. Colonel Colt,¹ the great manufacturer and financier, controls Bristol, and when he ran on the Republican ticket for Governor a year ago the Democrats,

¹ Colonel Colt is a candidate now (1906) for the junior United States Senatorship for Rhode Island.

who used to carry the town, put up no legislative ticket. There are many exceptions among both "organizations" and leaders, but they are indeed exceptions. Generally speaking, the people of Rhode Island are represented only by individuals and they can do nothing but protest. One of these protestants was Dr. Garvin, but he was Governor of the State and powerless.

This country doctor is the most singular figure in American politics. A New Englander reared down South, he attended a Friends' school, and traces of all these influences are marked in his character. A single-taxer, an individualist, an advocate of the "popular initiative for constitutional amendments"—this sweet-tempered radical who has stood for every reform that looked in the direction of democracy, marched, unmoved by ridicule, abuse, or defeat, without a sign of anger or of pain, straight into the confidence of a majority of the voters of this conservative New England community.

When the slowly rising discontent in the State approached the height of a majority, the Democratic party nominated Dr. Garvin, and his party, with help from independent Republicans, Prohibitionists, Socialists—all the opposition to the System that usually scatters, voted for him. He was elected in 1902 and again in 1903. He was elected as a protest, however, and that is all he has been. He could not be Governor in fact; General Brayton was that. As we have seen, the gubernatorial chair never had amounted to much more than an empty honor for "safe men." No veto power went with it, and the appointive power was really wielded by Brayton in the interest of the

machine of the System. A Governor like Dr. Garvin would have made his own appointments, but Brayton and the System had seen Governor Garvin coming. They rifled the office before he got into it. When this Aldrich-Perry-Brayton company foresaw that the people might elect a Governor to represent the common interests of the State, they had the appointive power transferred to the Senate. They left it so that a "safe" Republican Governor, obedient to them, might seem to appoint, but not a "dangerous" Democrat like Dr. Garvin. The Governor's nominations go to the Senate, which may confirm or reject or ignore them; and, if it ignores them for three days, this Senate, constituted as we have seen, may proceed to make its own appointments. The United States Senate in its dignity is sensitive about the independence of the (upper) legislative branch of the government, and it is jealous of any encroachment by the executive. Its leader, Mr. Aldrich, comes honestly by his senatorial sensitiveness; where he comes from, the executive, representing a majority of all the voters, is something which the Senate, representing the System, ignores, overrides, and insults, and, as for encroachment, that is a sacred prerogative of the legislative branch.

Such, then, is the government of Rhode Island. Such is the System that has developed with a restricted suffrage, with the balance of power against the cities, with business men conducting both politics and government. What is the matter? What is the cure? The local reformers think that these very features which other reformers yearn for are the cause of the Rhode Island troubles, and that

the constitution, "which did it," must be changed. A new constitution is indispensable to Rhode Island. Theoretically it is unjust, in practice it is tyranny, to maintain a government controlled by the purchase of twenty country districts which poll less than one-eleventh of the vote of the State. But the old constitution did not "do it." This instrument facilitated, it did not produce, the System, and a new constitution will not destroy it. Other States, with constitutions as ingenious as the best that the reformers in Rhode Island can hope for, have developed essentially the same System. The Enemies of the Republic will overcome any obstacle that is merely constitutional, legal, or mechanical.

The trouble lies deeper, and the cure must cut deeper. We have blamed our laws and our constitution long enough, and in turn we have charged our disgrace to our foreign population, to the riffraff of the cities, to our politicians, to our business men. And now, in Rhode Island, the American farmer is the guilty fool and his fellow-culprits are American captains of finance, law, and politics. Are they alone at fault? I cannot see it so. It seems to me that, in one way or another, we all are at fault. The provision of the Rhode Island constitution which lodged the dominant power out in the country, simply pointed to the farmer as the first man to corrupt; and he proved corruptible only because the strain came hardest upon him. His power should be spread out over the whole population, but then the pressure will bear hardest upon the political representatives of the people, and we know from other States that the representatives

will sell, if there are offers to buy; and we know that the business representatives will offer to buy. And we know that we all will condone or submit, for some consideration—cash or protection, office or friendship, party loyalty or comfort. The best hope of Rhode Island, for example, should be in the leadership of the old manufacturing families, and the best of this aristocratic class have voted for Dr. Garvin. But would they if his office were not powerless? They told me, these gentlemen, that Aldrich did not represent them or their State. "He may represent our corrupt towns and your own New York," they said, "but he doesn't represent Rhode Island!" Yet Governor Garvin was defeated this year (by some 500 votes) because a Republican President had to be elected, and a Legislature to return to the United States Senate the arch-representative of protected, privileged business.²

Aldrich does represent Rhode Island, and that is what is the matter with Rhode Island, and that is what is the matter with Aldrich. And he represents the rest of us, and that is what is the matter with all of us. Rhode Island will have reform when we all have reform; when we are all willing to make sacrifices for the sake of our country and our self-respect; when the American farmer will give up his two or thirty dollars "pay for time lost in voting"; when the business man will be content to do a little less "business"; when the manufacturer will risk his unnecessary protective tariff (the graft, not the pro-

² Dr. Garvin was renominated for Governor in 1905 at the head of a fusion ticket, and he and his ticket were defeated by an increased majority for the System's ticket.

tection); when the captains of finance will be content with honest profit; when the clergy will face "the loss of their position," and "financial grief and ruin," rather than "be put under the ban of political immorality, and forced to acquiesce in evil." The Republican hope of compelling the other fellow to quit "within the party," is stupid; reform within a party so degraded and so happy as "the party" in Rhode Island is impossible. The Democratic party may prove a good engine for the work ahead, but the notion of those of its leaders who think to restore pure, representative democracy by buying up the people for a year or two, is American corruption carried to the limit of Anglo-Saxon hypocrisy. There is no reform but reform, and reform begins at home—with all of us.

- migrate into urbanization but
 + not industrialization
 - antiquated management system
 - reform & correct necessary; but this
 will not solve problem
 - many argued "barriers" to
 reform necessary but are quite limited
 + ineffective
 can lay far-reaching impact
 - limits on reform
 - no industrial revolution (not significant) corrupt
 when process put on
 - urban not power centralization

OHIO: A TALE OF TWO CITIES

SHOWING BUSINESS RULERS OF A STATE RESORTING
TO ANARCHY TO CHECK MUNICIPAL REFORM

THE story of the latter-day politics of Ohio, as I understand the State, can best be told as a tale of two of her cities: Cleveland and Cincinnati; Cleveland, the metropolis of her Northeast, Cincinnati, the metropolis of her Southwest; Cleveland, the best governed city in the United States, Cincinnati, the worst.

Cleveland is, and except during one short period, always has been a business man's government. The New York *Sun* wondered once how it happened so often that in Ohio men who had spent the better part of their lives in business could step into politics up near the top and prove themselves first-rate politicians from the start. The explanation is simple. Those Ohio men came from Cleveland. If I remember aright, the *Sun* had in mind the sudden appearance of the late Mr. Hanna in national politics with the nomination of Mr. McKinley for President. Mr. Hanna had been in politics for years. Mr. Hanna is one type of the business men who have ruled the City of Cleveland. There are other types, as we shall see, but we must begin with Marcus A. Hanna. He is dead. I don't believe in "nothing but good of the dead"; I believe that true obituaries of our great men would do the living good.

But I hoped to be able to tell about Ohio without saying much about Mr. Hanna. That is impossible. You can't understand Cleveland, and you can't understand Ohio, without understanding Mark Hanna. And you can't understand the American people and the United States without seeing Hanna, as he was—good and bad, a delight and a danger, a business man in politics, a business man who dominated a city, became United States Senator and the boss of a State, became national head of the dominant national party and was the choice of big business and bad machine politics for President of the United States.

What sort of man was this? He was "our sort." Hanna was American. There are traits American which he lacked, but taken as he stood there was not a fiber of his make-up, not a fault, not a virtue, that is not of us. Of Quaker stock from the Virginias, he was born near Ohio's Western Reserve and the West made him ripe and rich. Hanna described himself once. In the campaign against Mayor Jones, who was running for Governor, he got into a hall full of Welshmen. Jones was Welsh, and the crowd jeered at Hanna so that he could not go on with his speech. "There's a lot of American in me," he shouted. "There's some Scotch. Somewheres 'way back, there is Irish blood. But by ——, there's no Welsh. If there was, I'd go down there and lick the whole lot of you." That won the Welshmen. They cheered and they listened while Hanna gave Jones and the Welsh fits.

That was Hanna, mixed, but well mixed, and, as the politicians say, a "good mixer." He was the fighter who can laugh in his wrath, but won't compromise. "Well,

what is your bill?" he was heard to demand of two lobbyists in the Marble Room of the United States Senate one day. They murmured some reply. "Well, he don't deserve it and he don't get it," said Hanna aloud, and he stumped off to leave them. Then he stopped. "Say, have you two — cusses had your lunch? No? Well, I'll give ye a good lunch, but that's all you do get."

Intimate, even familiar, Hanna was always Hanna, in all places, to all men. It is related that at the first inauguration of President McKinley, when he and Hanna rode together from the Capitol to the White House, Mr. McKinley pointed out of the carriage to the Post Office Building and admired it. "Well, that shows how little you know about architecture," said Hanna.

The dominant trait of Hanna's character was domination. He was our aggressive type of the egotist. He may not have meant to be selfish. Hanna was our man of brains, not of mind. When he was a boy he showed some inclination to read books, but his father, Dr. Leonard Hanna, a sturdy man, noticed it. "Mark," he would call up the stairs, "what are you doing up there? Reading, eh? Well, you come down here, and saw wood." So the boy was cured of this taste; the man hardly read at all. When he wasn't sawing wood, he was playing cards. He played in the daytime, and in the evening it was his favorite form of amusement to play a game with as many of his friends as he could get around him, and if no friends came, Mr. Hanna played solitaire.

We admire self-sufficiency, we Americans, and no matter if they do trample upon us, we want to see the strong

men win. We are like the American parent, who, because the baby is lusty and big, lets it pull off the table-cloth and break the dishes. Well, our young male was strong, and he began early to grab. When the family moved to Cleveland (in 1852) the father founded the wholesale grocery firm of Hanna, Garretson & Co. Mark went to school for a while, then he worked in the store, then he served as clerk in a Lake Superior carrying vessel. The Superior iron regions were opening and the Hannas saw things. They went into iron and steel and ships, as well as groceries and supplies. Mark married (in 1862) a daughter of D. P. Rhodes, fondly known as "Old Dan Rhodes," a pioneer grown rich in the iron and coal trade. Mark joined the firm of D. P. Rhodes & Co. There were other sons and partners in the business, but by 1885 they all were out or reduced to M. A. Hanna & Co., mines, ships, coal, oil, iron-ore, and pig-iron. Then M. A. Hanna got into a stove company, other mining companies, banks, and shipbuilding, a newspaper, a theater. It's a long story; it's the good old story, oft told and never explained. I heard, from men with feelings sore after all these years, of quick turns, hard fights, and brutal force. But that was Mark having his way, and, I guess, that is the way of success. Certainly Hanna was the true type of our successful men of big business. They are men in whom a want is, not like yours, perhaps, or mine, humble, hopeful, and capable of dismissal unsatisfied; a want with the Hannas is a lust; no matter how big or how little, no matter how vicious or how innocent, it is Hanna's want; it must be sated, and it must be sated now.

One of Hanna's young wants was a street railway. He had largely of the earth, and of the waters under the earth; he had reached out far beyond Cleveland and Ohio for possessions, into Minnesota and New York, Michigan and Pennsylvania; and his hands were full. But he had no street railway. Of course, he got one. He was let into the West Side Company of Cleveland, Elias Sims, president, and two years later (in 1882) Sims resigned and M. A. Hanna became president. And that's how Hanna happened to go into politics.

Mr. Hanna did not want to go into politics. He had to. It was necessary to his business that he should, and it was for the sake of his business that he did; not for the party, not for the city, not to better things, not even for the sport of it. As a young fellow, he had "batted around" some in his ward, for fun; but there was nothing in that for him, so he wasn't regular about it. I inquired closely into this, for I wanted to be sure that I wasn't on another "low down politician's" trail. Mr. Hanna went into politics as a business man, and he always called himself a business man in politics.

And, as a business man in politics he corrupted politics. Mr. Hanna boodled. He degraded the municipal legislature of Cleveland. I don't say he did it alone; I don't say he started it; I don't say he wanted to do that. All Mr. Hanna wanted was that horse-car line, and then some extensions, and then some more franchises. But these he did want, these and other valuable privileges. Since he wanted them, he must have them, and since the business way to get a thing is to go and pay for it and get it, Mr.

166 STRUGGLE FOR SELF-GOVERNMENT

Hanna went and got his privileges. He bought and paid for them. I don't say he paid all this in bribes, nor do I say that he paid bribes with his own hands. That isn't the way a Big Business man does big business. That isn't the System.

The System in Cleveland at that time was simple and imperfect. Business men supported it. There was no boss, and such leading politicians as the city boasted were nothing but business men's political agents. They depended largely upon the campaign funds contributed by the business men. In return the business men could get what they wanted out of the city, and they let the politicians do about as they pleased with the rest. The street railways and the other public utility companies which had the most to ask, attended to this political business. Not all of them. Cleveland is in many respects an exceptional community. There are, and there seem always to have been, men of business there who disapprove of boodling and corruption, and one of the street-railway presidents, Mr. Horace E. Andrews, has refused always to aid corruption in any disguise. But Hanna and two others have had no such scruples. They kept men to do "dirty business" for them, and these men were the "bosses" for many years. Hanna's man was George Mulhern, an employee of the West Side Company. Hanna sometimes served as treasurer of the campaign fund, and, in hot fights, often directed the politics of the West Side and, indeed, of the whole city.

All he wanted, however, was the right kind of a Mayor, and his share of the councilmen. These he secured, he or

Mulhern or both, by supervising nominations and paying individual campaign expenses. Other street railways did much the same. Usually they had among them enough councilmen to form a combine which controlled legislation. If they lacked some, if they hadn't bought sufficiently in advance, or if an unexpected emergency arose, they bought more. They didn't always use cash bribery. Mulhern, who picked the president and organized councils, came to control more and more departments, and he had the patronage of these to dispense to the friends and followers of pliable councilmen. But this was making the city pay for its own corruption, and it not only saved Hanna and the company some costs, it strengthened the machine.

This was a government by the public utility companies. These councilmen, elected as representatives of the whole community, represented in fact Mr. Hanna and the other holders of public franchises. Of course there was other "business" to be done. Mulhern with the other railway politicians handled it. They let privileges, legitimate and illegitimate, to their friends and Hanna's friends, and after these, to all comers. Citizens have told me how they were referred from the City Hall to the West Side Company offices, when they called on business. There was the head of the government, and it was not a very bad government, not in the Tammany sense. There was not much police blackmail, for example; it was financial, respectable corruption that prevailed, and "good citizens" do not resent that so much. It is quiet, it is convenient; it is theirs; it is the System. Hanna's government of Cleveland was a

government of the people by politicians hired to represent the privileged class.

This is the most dangerous form of our corruption; the most dangerous for this class as well. And yet the political greatness of Mr. Hanna was rooted in such corruption, and his political hopes were the hopes of this class. Hanna may not have thought so. Hanna wasn't a thinker, he was a man of instinct and action, and his unconscious selfishness hurt his effectiveness. The fate of his primitive machine shows that. He did not keep it up regularly. When he wanted something, he worked hard at the organization; when he wanted nothing in particular, he was slack about it. A business man in politics, he ran politics for business, not for political ends. Some political honors came to him. He went to conventions. He saw how Governors were made, and Presidents. A delegate to the National Republican Convention of 1888, he was for John Sherman, and he missed a hand in the making of President Harrison. Whether that humble failure suggested it or not, I do not know, but all the world knows that Hanna came to have a great ambition that was political. He wanted to have a President. He chose William McKinley, and he planned for years his nomination in 1896. That he succeeded, everybody knows. Hanna often laughed, in his merry way, at the "spontaneous demand" for McKinley, which swept over the country at just the right time. There was such a demand, and much of it was spontaneous, but Hanna organized it. He dotted the country with men primed to shout at a signal, and when

he gave the word, the wave rose and rolled in upon the convention where Hanna was dickering for its enthusiastic reception.

And Hanna won with McKinley and money, Hanna and the System—in the United States. What of Ohio? What of Cleveland? When the organizer of the National Republican machine came home, he had no organization. Having wanted very little from the State, he had neglected the State machine, and it was in the control of the Cox-Foraker wing of the party. And he had lost also his own city. A group of common politicians, weary of the selfishness of his street-railway government, had set out the year before (1895) to organize the party along political, not business, lines. They made Hanna and the street railways the issue and, nominating an obscure young lawyer, Robert E. McKisson, for Mayor, they beat easily Hanna's lopsided old occasional machine. McKisson, dismissing his creators, built for himself; but he built on politics and political graft, and the McKisson organization was the best machine the Republicans have ever had in Cleveland. But it was an anti-Hanna machine.

And thus began the making of the Ohio of Hanna, which is the Ohio of to-day. Whenever the forces of corruption are beaten in a city, they retreat to the State. Hanna had two wants which Cleveland could not or would not satisfy. He wanted to be a United States Senator and he wanted an extension of certain of his street-railway franchises. All the traction interests of Cleveland had been combined into two consolidations, the "Big Con," Horace Andrews,

president; and the "Little Con," Mark Hanna, president. Both had franchises expiring in the near future, and the State Legislature had just enacted the Rogers law, which permitted cities to grant extensions for fifty years. This law was passed by the Cox-Foraker crowd for the Cincinnati traction interest, but it was good in Cleveland while it lasted. There was the rub, however. The people were indignant at this piece of legislation; it might be repealed. Hanna and his associates had to hurry; and that politician, "Bob" McKisson, would not hurry. He would negotiate, however, and there was some dickering. Just what the dealing was I do not know, of course. The McKissonites say a big offer was made to the Mayor and that he refused it. The Hanna people say the Mayor asked for money and that they refused it. This much is certain: Mr. Andrews was asked to meet Mayor McKisson at the Hollenden Hotel; telling some of his associates about it, he went there; when he returned he reported that he had entered the appointed room, and that there, in the dark, Mr. McKisson began talking about land to be had out near Andrews's country place. Mr. Andrews may have been mistaken, but he understood this to have been an approach, and he left the Mayor abruptly. Soon thereafter a definite proposition of corruption was made, not, however, by the Mayor, but the railway people certainly believed it was authoritative. The associates of Mr. Andrews wanted to accept it, and the Hanna people were eager for the deal. And when Mr. Andrews refused to countenance it, there was trouble in his board and he resigned. Why the subsequent negotiation fell through, I

do not fully understand. James Parmelee, the president, now, of the lighting company, who was to take Mr. Andrews's place, considered making the deal; but, upon the advice of friends that it would be suicidal to put such business through with the whole city looking on and suspecting the purpose of his succession to Mr. Andrews, Mr. Parmelee decided against the job, and Mr. Andrews resumed his office. As for the other company, I was told that the McKissonites would not do business with the "Little Con" alone. However that may be, from that time on the Hanna Republicans cursed for a "Corruptionist" "Bob" McKisson, who prevented Hanna from getting his franchise extensions from his own city.

Meanwhile Mr. Hanna had been making mad rushes for his senatorship. There was no vacancy in the Senate from Ohio, but that did not matter. One was created. The President took John Sherman, the senior Ohio Senator, into the cabinet. Poor old John Sherman! He didn't want to be Secretary of State; his mind was failing and he wanted only to be let alone. But there was Hanna with a Hanna want; it must be satisfied, so Sherman was moved and the next thing was to get Hanna appointed. It was rather late to set about arranging this detail, but Hanna crossed bridges when he came to them. Governor Bushnell hated Hanna. Bushnell was a friend of the junior Ohio Senator, Joseph B. Foraker, who hated Hanna who hated him. If Hanna had had control in Cleveland he might have forced terms, but he was powerful only at Washington. He had to go to Cincinnati, and Hanna went to Cincinnati. He appealed from Bushnell and Foraker to the strong man

behind both of them; with Federal patronage in his hand, he went to George B. Cox, the laconic boss of Cincinnati, who, tradition has it, passed to the Governor two words: "Name Hanna." And Hanna was named.

And thus it happened that Hanna first went to Cincinnati; thus was begun, in an emergency, the alliance of Hanna, the Cleveland business man, with Cox, the Cincinnati politician—an alliance full of portent for the State of Ohio. Hanna was building his system. Not that he knew it. Reputed great as an organizer, Hanna worked like a bird; all he knew was that he needed a straw; his genius lay in the sure instinct with which he found his straw. The nest happened. Cincinnati was a branch to build on, Cox a straw. So far as I can make out, when Hanna had his senatorship, he gave Cox some of the President's patronage and flitted off to Washington satisfied. But he had descended to Cincinnati and to Cox, and he was to go there again. Let us go there and see what it means to go to Cox and Cincinnati.

I shall never forget my first visit. Cities and city bosses were my subject then, and I thought I knew something about such things. I didn't know the worst. The train ran through the early morning sunshine up to a bank of mist and smoke, paused, as every train since has done, then slowly tunneled its way into the *cul de sac*, where the Queen City broods in gloom. I wanted to see Cox. The etiquette of my work seems to me to require that I shall call first everywhere on the ruler of the people; if he is the Mayor, I call first on him; if the mayor is a figurehead, I call first on the boss. Sometimes one is in doubt. In Cincinnati,

immediately after breakfast, I sought out the sign of the "Mecca" saloon, went up one flight to a mean, little front hall-room. A great hulk of a man sat there alone, poring over a newspaper, with his back to the door. He did not look up.

"Mr. Cox?" I said.

There was a grunt; that was all.

"Mr. Cox," I said, "I understand that you are the boss of Cincinnati."

His feet slowly moved his chair about, and a stolid face turned to mine. Two dark, sharp eyes studied me, and while they measured, I explained that I was a student of "politics, corrupt politics, and bosses." I repeated that I had heard he was the boss of Cincinnati. "Are you?" I concluded.

"I am," he grumbled in his hoarse, throaty voice.

"Of course, you have a Mayor, and a council, and judges?"

"Yes," he admitted; "but——" he pointed with his thumb back over his shoulder to the desk—"I have a telephone, too."

"And you have citizens, too? American men and women?"

He stared a moment, silent, then turned heavily around back to his paper. Well, I feel the same way now about the citizenship of this city; Cox, their ruler, and I have had several talks since; he doesn't say much, but I am sure he and I agree perfectly about them. But this, also, I never forgot, and let no one else forget it: Cincinnati is an American city, and her citizens are American citizens.

Therefore, what has happened in Cincinnati can happen in American cities. What had happened there?

We need not go into details. We know Philadelphia, and that is to know most of the truth about Cincinnati. An aristocracy once, the best people were decent about the graft, but selfish, and the criminal classes took over the government. Tom Campbell, a criminal lawyer, led the Republicans, and John R. McLean, the son of "Wash" McLean, also a sort of boss, led the Democrats; but there was no politics. The good people knew parties, not the party politicians. John R. McLean and Tom Campbell were great friends, and they ruled by buying votes and indulging vice and crime. Campbell controlled the criminal bench. He defended criminals, out of the ring and in it; there was brawling, robbery, murder; and, in open court, over evidence which the public was reading in McLean's newspaper, *The Enquirer*—over evidence which convinced all but the corrupt judges and the "fixed" juries, this politician-lawyer got his clients off, till, in 1884, upon the acquittal of two murderers who killed a man for a very small sum of money, the town revolted. A mob burned the criminal court-house. The McLean-Campbell régime of Cincinnati, which corresponded to the Tweed days of New York and the McManes-Gas-Ring rule of Philadelphia, closed with the famous Cincinnati riots of 1881.

Tom Campbell moved to New York, and McLean soon took up a residence in Washington, D. C., but "better citizens" did not step into their places. The "best citizens" who led the "better citizens" were in gas and other public utilities; they were "apathetic," so other Repub-

lican grafters held down the Republican party while McLean, the Democrat, with his "independent" *Enquirer* and his contributions, kept a paralyzing hand on the Democratic machine. Since McLean was "active" only when he wanted something himself or when he wanted to keep anybody else from getting anything, this dog-in-the-manger weakened the Democracy, even as a graft organization; and gradually the "grand old party" established itself. Among the Republican leaders of this period the only one we need to know is Joseph B. Foraker. He is the senior United States Senator from Ohio now, and we are asking what "our" Senators represent at home. Mr. Foraker represented the Young Republicans of his day. Enthusiastic over his party, passionate in the defense of the Union soldier, eloquent upon the rights of the people, this young orator was dubbed the "Fire Alarm," because of the courage with which he fought corporate greed and corruption. The people of this country need, and they are forever looking for a leader who is not a boss, and Foraker is no boss. He is a politician; he must have been almost a demagogue once; certainly he raised the hopes and won the hearts of a majority of Ohioans, for they elected him Governor of their State, twice. What did he do for these, his own people?

Governor Foraker "discovered" Cox. A saloon-keeper and councilman at the time, Cox ruled his own ward and was distinguished in his corrupt city as an honest politician; if there was boodle to divide Cox divided it "on the square," and if he gave his word, he kept it. Wherefore the world of graft trusted Cox. Governor Foraker,

needing a boss for Cincinnati, made Cox an oil inspector and the dispenser of patronage in Hamilton County (Cincinnati). An oil inspectorship in Ohio is "good money" and, better still, brings a man into confidential relations with one of the deep sources of corruption in the State, Standard Oil. Foraker and Cox soon got in touch with other such interests. There are several instances to cite; one will do.

A while ago we spoke of the Rogers Law. Cox and Foraker managed that. The Cincinnati traction interests wanted a fifty-year five-cent-fare franchise in Cincinnati. Foraker wanted to go to the United States Senate. Public opinion out West is against long franchises, but the "Fire Alarm" expressed public opinion. It was charged in the public prints of Chicago and Ohio that Foraker was paid an enormous "fee" (ranging from \$100,000 to \$250,000) for his services—as a lawyer. He did not sue for libel, but he denied the charge; he said all he got was a present of \$5,000 from an officer of the company. I say it doesn't matter whether Foraker took a bribe, or a fee, or a present, or nothing at all. His firm has been ever since counsel for the traction company, and his son became an officer thereof, but that doesn't matter. And it doesn't matter whether the Legislature that made Foraker a Senator belonged to the company, or whether the Legislature that passed the Rogers traction bill belonged to Foraker. The plain, undeniable, open facts are that the Legislature of 1896 which elected Foraker to the United States Senate was led by the Senator, a popular leader, to pass in the interest of the traction company a bill which granted privi-

leges so unpopular that public opinion required a repeal in the next Legislature of 1898. In other words, this man, who by his eloquence won the faith of his people, betrayed them for some reason to those interests which were corrupting the government in order to get privileges from it. That's all any electors need to know about Joseph B. Foraker, that and the report that he hopes some day to be President of the United States.

Let's turn to an honest grafter. Cox made the councils of Cincinnati act for the traction company under the Rogers Law, but he doesn't pretend to represent the people. That isn't his business. Cox's business is to rule the people, and he does it. Cincinnati was enraged, and Cincinnati rose against Cox for this act. Cox was for licking them into obedience, but Hanna was back in Cincinnati again. Hanna had to be elected, in 1898, to the seat he had been appointed to. He wanted "harmony" in Cincinnati. He wanted Cox to hide and let some business men, such as used to rule Cleveland, run the 1897 campaign which was to elect his (Hanna's) Legislature. It was selfish of Hanna, but Cox was willing. He told me about it.

"Wanted good men nominated," he said. "Wanted business men. Wanted business men to name the ticket and run the machine. Come to me, a committee of them, bankers and all like that. Said they'd name twelve men, and I was to name twelve. I was to pick six off their list, and they were to pick six off mine. Showed me their twelve and I took 'em all, all twelve, all business men, good people. Called 'em the dozen raw. Let 'em name the ticket and lent 'em the machine to run." He paused. "Who do you

think they nominated?" he asked, and he answered: "They nominated fellers they met at lunch."

Cox's scorn of "good business men" reminds me of Croker. Croker has never been able to understand just how "bad" he was; he really was puzzled as to himself. "But," he said one day with assurance, "I know I'm better than them"; and he pointed off downtown toward Wall Street, where his business backers and clients were. And it is so with Cox. He doesn't understand the standards of his critics, but he knows he is better than "them."

"Them," in Cincinnati, were beaten. The "dozen raw" who, largely for Hanna's sake, tried to give "front" to the Republican party, and save it with a respectable business man's ticket, failed. McLean wanted to go to the United States Senate, so he lent the Democratic machine to the Democrats, who combined with the independents, and together they elected an anti-machine ticket. It looked so bad for Cox that he announced his retirement from politics, but the amiable old gentleman who was Mayor proved so weak and the "Democrats" and "independents" such poor stuff that Cox recovered his courage. He bought some members of the administration, fooled others, and with the help of these set the rest to fighting among themselves. Cox so disgusted the town with "reform" that it came back to him, laid itself at his feet, and he proceeded at his leisure to, what a judge called, the "Russianization" of Cincinnati.

What that means we shall see when it is done. Hanna waits, his present want, the senatorship, unsatisfied. He thought he had it fixed; though the McKisson anti-Hanna

Republicans had elected to the Legislature part of the delegation from Cuyahoga County (Cleveland), and the anti-Cox movement had sent up independent Republicans from Hamilton County (Cincinnati), Hanna and his State manager, Major Charles F. Dick, assumed that all "Republicans" would be loyal to "the party." Loyalty to party means, to a boss, loyalty to the boss. Now Hanna wasn't yet the boss of Ohio, but he wanted to be, so he assumed that no one would oppose him. The capital was full of his enemies, Governor Bushnell, Senator Foraker, Mayor McKisson, Charles Kurtz, etc., but Hanna flitted off to Washington, and Major Dick "sat with his feet up on a table cracking jokes."

Secretly, those Republican enemies of Hanna formed a combination with Democrats to beat Hanna. They could do it. They had the votes. This they proved by smashing Hanna's legislative slate, and Ohio and Washington were thrown into a state of excited dismay. Hanna flew to Columbus and took personal charge of his own fight. With him came money, lots of money, and with this money came the influence of the President, of the railroads, the banks, Federal officeholders. Mass meetings were organized at the homes of lost or doubtful legislators, speeches were made, addresses drawn, and committees with petitions were hurled by special trains to the capitol. Columbus was a wonderful scene. The hotels were packed, crowds surged up and down the halls and lobbies. Wine flowed and there were loud rows and fist fights. Legislators were kidnaped, made drunk, and held prisoners. The wife of one member, sent for because of her influence over her husband, was

held by one side while the other kept him hidden away in a room. Men carried revolvers and showed them, and witnesses tell me there was really a fear of sudden death. But under all this money was whispering; both sides used it. Hanna always denied that he spent any. The anti-Hanna combine settled finally on McKisson as their candidate, and McKisson says he hadn't any money. But these are technical denials. I don't know who handled the little money the McKissonites had, but after Hanna won (for, of course Hanna won) by one vote, specific charges of bribery were made. A committee took evidence on one case and reported (1) that "on or about Jan. 9, 1898, an attempt was made to bribe John C. Otis, a member of the House . . . to vote for Marcus A. Hanna"; (2) "that Major E. G. Rathbone and Major Charles F. Dick were agents of Marcus A. Hanna, and procured, aided, and abetted the crime."

The report, sent to the United States Senate, was not credited there, but that means nothing; it means no more than the report of a board of aldermen would mean of an investigation of graft charges against some fellow-member. "Senatorial courtesy" seated Mr. Hanna. But if bribery ever was proved, it was on that investigation. The bribe agent, now dead, was followed step by step; he reported by telephone to "Dick," "Major Dick," and to others at Hanna's headquarters everything that he did; and these frequent telephonic communications were overheard by witnesses, with stenographers by to take them down. Hanna's declaration of personal innocence was borne out; the witnesses said the agent said he represented East-

ern men and Eastern money; but "Dick" was certainly Hanna's State manager, and Hanna wasn't the sort of man such a lieutenant would be afraid to report to on the use of money. But waive all that.

Hanna rewarded with offices in the State and the United States service the legislators and agents who "stood by him." Hanna said on the stump afterward that he did this. That is enough. As we have noted before, people are often incensed over cash bribery, but bribery with offices is worse; to pay men who betray us by giving them salaries at our cost in our public service is the worst form of bribery; that is systematic corruption; that is the System. For instance, Major E. G. Rathbone, afterward involved in irregularities in the Cuban postal service, was sent down there by Hanna *because he had proven his character* by helping Hanna in this senatorial fight. And there are others: When Mark Hanna died, the System decreed that Ohio should send his faithful lieutenant, Major Dick, to the Senate, and thus, by the way, another of "our" United States Senators is accounted for.

But never mind; Hanna had his senatorship. There remained unsatisfied but one great want of this spoiled child of the American business-political system. That Legislature of 1898, which gave Hanna "so much trouble," as he expressed it, repealed the Rogers Law, and he had to begin all over again to get the extensions he wanted for his street-railway franchises. But he began right this time, at home. He went to Cleveland.

McKisson, beaten for the senatorship, was weakened, but he controlled the Republican party, so Hanna did

what good people are so reluctant, what the politicians and bosses are so ready to do when "the" party fails to represent them—Hanna backed the other party. Yes, this same Republican leader who had pleaded so hard for "harmony" in Cincinnati where harmony was in his interest, now supported in Cleveland the Democratic party. The Democratic party in Ohio (and in many other States) is cursed by "Democrats" of the John R. McLean type, who believe in "protection," privileges, and big business graft generally just as much as Republicans of the Aldrich stamp do. John Farley is such a "Democrat." I had a talk with him once, and it was like talking to Aldrich; he is candid, able, and a cynic about America and its democratic Republic. Farley was nominated by the Democratic Party; he was called a Hanna Democrat—and the Hanna Republicans helped the Democrats elect him. And he was elected to help the street railways get their franchises. Horace Andrews was out of the "Big Con" presidency and Henry Everett of the Everett-Moore Syndicate was in; and the two "Cons" came pretty near getting what they wanted. Farley, the Democrat, stood ready to do his part, the traction people to do theirs; but the business fell through, beaten by—Cleveland, by the citizens of Cleveland.

Cheerful idiots who think themselves optimists often ask me why I don't find something good now and then, somebody to praise. I do. I found good in Chicago; I praised Folk and LaFollette, A. R. Hall, and Governor Garvin, and Oliver McClintock; everywhere I have been I have found something good and somebody to praise.

I notice, however, that while my evil reports seldom cause resentment, the moment I begin to speak well either of men or of conditions, my mail roars with rage and burns with sarcasm or sorrow. Then I am a fool or a liar. Naturally, therefore, it is with fear and trembling that I approach Cleveland now. There is something good there. The citizens of Cleveland know how to vote; they have a public opinion, and they make it count; they have two truly independent newspapers, and this free press speaks for them, with effect. Nominally Republican, when this city had by sheer force of public opinion stopped the trolley grabs, it turned around and elected to succeed Farley, "Democrat," not a "Republican," but Tom Johnson, a Democrat. Now this was the most terrible disappointment in the whole business-political career of Mr. Hanna. And Johnson's administration has hurt "business" generally; it is a sore trial to-day to a certain kind of business men in Cleveland; and the results of the fight against this—this "socialist-anarchist-nihilist" (as Hanna called Johnson) has upset the charters of all the cities in Ohio and reversed the judicial policy of the State courts. Next to the "wants" of Mr. Hanna, nothing has had such an influence on the politics, government, and "business" interests of Ohio as the policy of the Mayor of Cleveland. Yet Cleveland reelected Mayor Johnson. There is something good in Cleveland and Tom L. Johnson.

Good? It seems to me that Tom Johnson is the best Mayor of the best-governed city in the United States. This is no snap judgment. The first time I went to Cleveland, on the same trip that took me to Cox and Cincinnati,

I knew all about Tom Johnson. He was a dangerous theorist with a dangerous ambition; that was the impression the System had spread of him in New York; and all I had to do was to prove it. Since, though Mayor, he was the head of the actual government of the city, I called on him. His office was full, and it was a shock to my prejudice to watch this big jolly man do business—attention, reflection, and a question; a decision, a laugh; next. And so it went. But I wasn't to be fooled. When my turn came, I asked him what his ambition was? He laughed.

"My ambition," he said "is to make Cleveland the first American city to get good government." That was amusing, and he saw my skepticism, and it amused him. "And not only that," he added, with a sober impulse of his tremendous energy. "I'd like to make it not only the first to get good government; I'd like to make it prove things, prove good government possible, prove municipal ownership possible, prove anything is possible that any community of American citizens cares to try to do."

There was something interesting and intelligent about that. I often had wondered why all our leading citizens sought the same thing, money-power; why didn't some of them pursue some other end; why didn't someone seek the everlasting fame that would come to the man who first should achieve good municipal government? But I knew Johnson too well to be taken in by *his* "ambition." I pried around a little. If a city is corrupt, there are signs of graft about it. The pavements show it and the police on patrol; reporters and certain kinds of business men will

give you the rumors of it. Cleveland showed none of these signs, so I went away baffled to give Tom Johnson time to show what he was after. And, sure enough, the next time I visited Cleveland the Mayor whose ambition it was to give his city good government was running for Governor of Ohio! Unfortunately for my prejudice, however, my experience with Folk in St. Louis, with the reformers in Chicago, with reform in all cities, had taught me that no man can finish a municipal reform job without going to the State. Moreover, I had come to regard office-seeking as no worse a crime in a reformer than in a grafter; on the contrary it had occurred to me that one way to beat the grafting system was to promote honest men for giving good government, as the System (Hanna's, for instance) promotes corrupt men for corrupting government. The question still was as to the goodness of Tom Johnson's government. A year ago last winter, after a month of search, I was convinced that there was no graft worth speaking of in Cleveland; certainly if I had tried to make out a case of bad government against Tom Johnson, I should have made myself ridiculous. But how, in a brief space, is one to prove good government?

The best department in this best government is that of the law. Newton D. Baker, the head of it, is clear, able, and, best of all, fair. He has directed all the many obnoxious litigations for the city against "business," and yet "business-men" who sneer at Johnson and all his men, except Baker, because while he fights for the city he "fights fair," they say. But how is this to be shown? All I can say is: Ask any Clevelander about Newton D. Baker.

Mayor Johnson wanted to make his water-works prove that municipal operation was good. It was a political dive when he was elected, and the contractors for a water tunnel to reach far out into the lake had wrecked the job at both ends and given it up as hopeless. The Mayor appointed Professor Edward W. Bemis superintendent. There was a howl from the party, for Bemis hailed from another State and had no politics, but Johnson stood his ground while the "foreigner" threw out Republicans and Democrats alike, Protestants and Catholics; put in men without regard to politics; reorganized the department on a business basis; installed meters against another outcry; saved waste; reduced expenses, to city and consumer alike, and altogether established a system that did prove things. Furthermore, the city completed that water tunnel. My colleague, Mr. Adams, said Cleveland water was not pure, but that meant either that the tunnel should reach farther out in the lake or that a filtration plant is needed. The Waterworks Department certainly proves that a man like Bemis, backed by a man like Johnson, backed by a citizenship like Cleveland's, can run its waterworks better than a private company. But this is only my assertion; ask any Clevelander if it isn't true.

The Police Department caused trouble at first. Tom Johnson is not interested in the police as a New York reformer would be, but there is but one man in this country who has solved the police problem more satisfactorily. The Mayor, after some patient experiments, found on the force a junior officer who struck him as honest, able, and full of nerve. He made him chief of police. That caused

more bitter feeling, for Chief Kohler is a Republican. Kohler cared, Johnson didn't. Kohler declared he "wasn't looking for trouble" and didn't want the place. "I wouldn't have given it to you, if you did," said the Mayor, and he gave commands. Chief Kohler obeyed the Mayor's orders. There is absolutely no graft among the Cleveland police that I could find, and, without any alliance with criminals, this young man handles his criminal problem. Mayor Johnson is a good judge of men, and Cleveland has the best chief of police that I have met so far.

One day a builder stopped me in the street to complain about the Building Department. Certain plans had been held up for three days, he said. That sounded like New York. "What for—graft?" I asked. "Oh, no," he said; "they excused the delay by saying that the head of the department had bought a pair of shoes that hurt his feet. But the man isn't up to his work, and Johnson won't do anything about it." Think of a complaint like that in your city. This builder was perfectly right; but before I left the town he said he and a committee had gone to the Mayor, and I happened to hear several cabinet discussions of a rather thorough-going reorganization.

Mr. Adams says the Health Department is weak, and a remark of the Mayor to me confirmed this criticism, and, perhaps, explained the condition. Mr. Johnson said he never had been able to understand the workings of the Health Department; he was an *ex officio* member of the board, but couldn't get interested in its doings. He has to be interested to do good work, and his interests are pretty wide; but sanitary science marks one of his limitations.

Stealing is within his limits. A paving-brick combine that interested him when he came into office was broken up in a clever way, and the Public Works Department was turned over to a Republican, W. J. Springborn, who had proved his honesty and capacity in the city council. The efficiency and correctness of Mr. Springborn I never heard disputed. And the kindness and humanity of Harris R. Cooley, the director of charities and correction, will not be denied. The really remarkable results achieved under this gentle clergyman at the city prison and at Cleveland's Boyville, a farm in the country where "bad boys" are proved to be the best boys in the slums—these works certainly are of good government. So with the parks. The rich men of the city had provided a beautiful, though broken, circle of parks, but they were only decorative till Johnson threw them open to the public. He ordered away the "Keep off the grass" signs, and the Park Department, by games and competitions for prizes, by winter sports and summer music, has taught the people of Cleveland to go out and use their parks. There has been some protest at this policy, but a sight of those parks in use makes the opposition seem mean. Moreover, the city has established playgrounds, and skating-rinks on public ground and in vacant private lots, and the police say these sports lighten police work in their neighborhood.

But this is not a third of the "proof" I gathered of good government in Cleveland, and it isn't the best proof, either. The best evidence of the "goodness" of this government is the spirit of the men in it. They like their work; they like to talk about their work; theirs is a sense

of pride and preoccupation such as I have never felt in any other American municipal government. The members of the administration are of all classes, but they get together, they and their wives, and they talk shop, shop, shop. The Mayor's levees are the most popular. Everybody goes there, evenings and Sundays, and it is Cleveland, Cleveland, Cleveland, till an outsider is bored to death. Say what you will, pick flaws as you may and as I could, Tom Johnson has proved what I never heard him say he hoped to prove: He has proved that it can be made a joy to serve one's city.

Isn't this good? Isn't this what we mean by "good government"? There are men in Cleveland, and in Ohio, and in the United States, who say it is not good. They hate and they fear Tom Johnson and all his works. Why? They say he is a politician. I don't think he is, not a good one, but I don't care. And neither do his critics care: Hanna was a politician, and so are Cox and Foraker, and Johnson's critics do not mind that in them. But they say he is not sincere, that he does the good he does to serve his own selfish ends. Hanna did the evil he did for selfish ends, and Tom Johnson's enemies were Mark Hanna's friends. Would they ask if Hanna was sincere, and Cox, and Foraker? But Johnson was a business man, and his old business associates say that while he was in business he was a corrupter of politics. This is true. Mr. Johnson denies it, but let us examine the facts and the denial.

Tom Johnson was a big business man; there is no denying that; he succeeded; he is rich. And his business was big business, street railways and steel. He was in street

railways before he was twenty-one, and he operated in many parts of the country, Indianapolis, Cleveland, Detroit, Brooklyn. In Cleveland he measured himself with Hanna and beat him. I said earlier in this sketch that Hanna was our man of brains, not mind. Johnson has a mind; his brain is no mere muscle; it thinks. He discovered at Indianapolis a principle of street-railway operation. Most street-car lines run from the business center of the city out to the residence districts. They follow the heavy traffic, downtown to work in the morning, uptown home in the evening. Mr. Johnson believed that if he could run a continuous line across town he would catch not only the morning and evening crowds, but the all-day cross-town traffic. He did. This may seem a simple, obvious observation, but as we have noted so often, business men are not so great as they think they are, even at business. They are more often smart and knowing than wise and intelligent, and—well, it was the application of this simple principle that enabled Tom Johnson to come into Cleveland on a little jerk-water horse-car line and go out on the “Big Con,” while Mark Hanna was struggling behind with his “Little Con.”

But, because Hanna was so simply instinctive, we can excuse many of his evil practices; he didn't know any better. And because Tom Johnson understands things, we can pin him to facts. What are the facts? He says he bought his franchises, not from councils, but from private and corporate owners of them. Yes, but he got extensions and other privileges from cities. How? He declares that he never bribed anybody, directly or indirectly. Very

well, but Mr. Johnson says that he contributed to campaign funds, that he contributed to the funds of both parties when he had business to do, and he admits that he did this to influence votes on his business. And he adds, with a candor as honest as Hanna's ever was, "I understand now that that is just as corrupt and dangerous as cash bribery." It is worse. It is systematic. And Mr. Johnson understands what I mean by that. Mr. Johnson understands what perfect honesty is. He says Horace Andrews has it, and to prove it he told me once a story which illustrates perfectly the difference between himself and Hanna and Andrews. Both street-railway combinations wanted something from the city. Hanna went ahead and bought it; the cost was \$40,000. Then Hanna thought the "Big Con" ought to pay its share, and the "Big Con" directors, Johnson included, were willing. But Andrews refused absolutely, as his custom was. "Then," said Mr. Johnson, "I discovered that about \$20,000 of that \$40,000 was for legitimate expenses, so I said to Andrews: 'Here, Horace, is a way out of this. We can pay the honest half of that bill and let Hanna foot the other half.' But Andrews said that that was a flimsy subterfuge, and, of course, he was right." So I concluded that while Mr. Johnson had scruples unknown to the Hannas, he was willing to do things that Horace Andrews wouldn't do. In brief, Tom Johnson, in business, did what was necessary to the furtherance of his business.

But the men who wanted to make Hanna President, and who deal now with Cox and Foraker, Murphy and Platt and Aldrich—the clients and friends of such as these

cannot tell me that they hate Johnson for the evil he may have done as a business man in politics. There is something back of all their charges. What is it? I think we are close now to a truth that we must see plainly if we are to understand why our governments, city, State, and national, are corrupt, and, also, why our reforms fail so regularly.

Tom Johnson is the "business man for Mayor" that business men have been prophesying so long must come along some day to give us a "good business administration of a city government," and, now that he has come, Business hates him because he has given Cleveland not only good government, but representative government; not only clean streets, but clean tax lists; he has stopped not only blackmail, but bribery; he tackled not only low-down petty police and political graft, but high-toned, big, respectable, business graft, both legitimate and illegitimate. Tom Johnson is a reformed business man. His reform began at home; he reformed himself first, then he undertook political reform; and his political reform began with the reform of his own class. And that is Tom Johnson's sin.

One day, at the height of his money-making career, the newsboy on a train offered him a copy of Henry George's "Social Problems." He was pushing it away, when the conductor, happening to pass, said: "That's a book you ought to read, Mr. Johnson." So he took it, read it; it threw a flood of light, especially upon his business; and he read more of Henry George, met the man, became a disciple, and managed one of the great Single-

Taxer's political campaigns. Convinced of the injustice of privileges, Mr. Johnson did not quit turning privileges into money; he was twitted on the point while he was a member of Congress in 1891; and his answer shows how he excused himself. Mr. Johnson moved that the duty on steel rails be removed. Mr. Dalzell, the Republican leader, interrupted Johnson to ask him if he, a manufacturer of steel rails, was not a beneficiary of the duty on them. Johnson said he was; that he got a higher price for his rails because of that duty; but that, as a member of Congress, he represented not himself, nor his mill, nor his stockholders, but his constituents; and that as a free trader he wished to commence his reforms along the line in which he was interested. So he continued his motion to put steel rails on the free list. In other words his position was that, while as a business man he would take advantage of the favoritism of his government, as a citizen and as a politician he would fight all privileges as economically unjust. Another amusing incident occurred at Detroit. As the manager of the street-car system, Johnson was seeking from the city a double-track privilege. Mayor Pingree was against the grant, "but," said Mr. Johnson, "Pingree didn't know why; he came to me and said he knew there was something the matter with the ordinance, and wouldn't I tell him what it was that was wrong? I laughed. I said I wouldn't tell him what he wanted to know, but I would tell him this much: 'If,' I said, 'I had the say for the city in this thing, I'd see Tom Johnson in hell before I'd let him have it.'" When the hearing was held, Pingree couldn't make his position very clear; he

tried to, hesitated, and then he blurted out that he didn't understand the ordinance, but he pointed at Johnson and he said: "But I can tell you this. Tom Johnson there told me that if he was in our places he'd see Tom Johnson in hell before he'd grant it." Everybody looked at Johnson, who laughed heartily. "Yes, I did say that," he admitted, "but it is a dirty trick to tell it on me."

So he knew what he was about in business, but he kept at it till he had made his money. Then, when some men go in for yachting, or the Senate, and give money to charity and churches, colleges and libraries, Tom Johnson gave himself and his money to politics, to municipal reform as the Mayor of Cleveland. And as a Mayor he knew what he was about.

His platform as a candidate was equal taxation and "three-cent fares with universal transfers" on the street railways; "good" government was a side issue; he threw that in. His idea was to make that city government represent and serve all its people. That doesn't sound bad, but applied by an expert big business man, who knew just where the System lay and who reached for it with ability and humor, Mayor Johnson's simple idea had mixed and terrible consequences.

His first move was at the inequalities and favoritism of the tax lists. He had Peter Witt organize a Tax School. Peter Witt loved the work. It consisted in finding out the assessments of real estate, block by block, or ward by ward. Great maps were made, and on these each piece of property was plotted, and in each plot Peter Witt wrote the assessment on it. You can imagine the result.

But when this was done, Peter Witt asked all the property owners to come together to see that result, and you can imagine the effect of this "first view." There were inequalities, and, with the property owners by to agree, they were straightened out against the next year. Now wasn't that a good thing to do? No. The System got out an injunction and stopped the "unlawful" expenditures on the Tax School.

The next reach, at about the same time, was for the undervaluation of steam railroads. Now the railroads in Ohio had long since got through corrupting the State. As we have seen everywhere, when the railroads have had all they want out of the State in the way of privileges they keep up only enough steam to keep the government corrupt. They are there, though you can't always see them. Mayor Johnson could see them. He, Professor Bemis and, later, Carl Nau, an expert accountant, produced figures showing the gross and ridiculous undervaluation of railroad property as compared with other property in the State and with railroad property in other States. These figures, laid before the auditors by the Mayor and his assistant, produced no results. Railroads owned the boards. Detectives who shadowed the auditors found that all the auditors traveled on passes and wine and dined with the railway counsel. Mr. Johnson appealed from the local to the State Board of Equalization, but that board also refused to act. Mayor Johnson appealed next to the Supreme Court to compel the State board to act; the court held that the Legislature alone could remedy the evil. Mayor Johnson went to the

196 STRUGGLE FOR SELF-GOVERNMENT

Legislature of 1902, and the Legislature adjourned without action. It was not till 1903 that the State tax on railroads was increased from one-half of one to one per cent. on the gross receipts, just about doubling the tax, and then only with railroad consent and in fear of "socialistic" agitation.

Another simultaneous move was "against" the local public utilities companies. The Mayor appoints the City Board of Equalization; and Johnson's board added \$18,000,000 to the tax valuation of the street-railway and lighting companies. Now it was the System's turn to appeal. They went to the State auditor, and they did not go in vain. The State Board of Tax Remission remitted, without any given reason, the entire increase, and the Legislature empowered the Republican county auditor of Cuyahoga County (Cleveland) to destroy the City Board. Johnson appealed to the Common Pleas Court to restore his board's valuation; denied; to the Circuit Court; denied. Meanwhile, however, the citizens were interested, and they elected Robert C. Wright (Dem.) county auditor over Craig (Rep.). Now the biggest item in this fight was a claim by Johnson for \$2,000,000 back taxes from the public service corporations, and Wright was to collect it. When he entered his office he found Craig had settled secretly with the companies for \$113,000. And when Wright began to investigate the returns the State auditor ordered him off. Wright proceeded, nevertheless; he added back values amounting to \$1,858,000; the State board remitted them, and the case was taken into court, where it still is pending. As in the case of the railroads, in spite

of this succession of defeats, the public service people have consented to increased assessments from \$3,520,245, in 1900, to \$7,814,120, in 1904.

All these, however, were mere skirmishes around the great central fight which raged over "three-cent fares and universal transfers." The street railways wouldn't hear of it. Horace Andrews said they couldn't live; Johnson said they could; Hanna, who had been calling Johnson a socialist, now added "anarchist-nihilist." I believe Horace Andrews has proved to Johnson since that universal transfers are not practicable in so large a city, but the Mayor still believes in three-cent fares, and when the railways showed no disposition to budge, he and the city council established routes for competing three-cent lines and, advertising for bids, induced street-railway men from out of town to bid. Now, business men apply such methods to one another, and they are all right then; but when this ex-street-railway magnate used them in the interest of a city, Big Business went mad. The first move was made by Johnson on December 9, 1901. Two days later, the State System, through Attorney General Sheets, brought an ouster suit against the City of Cleveland, a suit, that is, to oust the whole administration. This sounds "socialistic-anarchistic-nihilistic," but it wasn't; it was Systematic. There was a run on Hanna's "Savings Bank," as he called his street railway, and something had to be done to save it. And something was done. On June 26 the Supreme Court of the State of Ohio ousted the Board of Control of Cleveland. Why? It had been created by special legislation. But all the charters of all the

198 STRUGGLE FOR SELF-GOVERNMENT

cities in Ohio were creations of special legislation, and the same court had upheld such special legislation from time immemorial. No matter. Special legislation was unconstitutional; the Supreme Court would have to reverse itself some time, and what was a better time than now, when a Big Business man was running a city on Big Business lines? But by this decision all the city charters of all the cities in the State would fall. No matter. That court, to check Tom Johnson and help the Hannas, did declare unconstitutional all the city charters in Ohio. Oh, it was arranged so that the cities could do business, all but one; but that exception points the whole purpose of this supreme act of the corrupt, misrepresentative system that rules the United States to-day. The exception was Cleveland; Cleveland could not grant, or consider granting, any more franchises.

But "they" were not through, not yet. Having torn down, they—and by "they" I mean the Hannas, the public-service corporations and their political machinery, their banks and their courts—they had to build up something in the place of the ruin. They had to pass a general act giving one and the same city charter to all the cities in Ohio. Where did they go for a model? They went to Cincinnati.

Let's run down there again to see what Cox has done since 1898 to make Cincinnati the model Ohio city. He has "Russianized" it. His voting subjects are all down on a card catalogue, they and their children and all their business, and he lets them know it. The Democratic Party is gone. Cox has all the patronage, city, county, State

and federal, so the Democratic grafters are in Cox's Republican Club. That club contains so many former Democrats that "Lewie" Bernard, John R. McLean's political agent, says, happily, that he is waiting for a majority, to turn it into a Democratic club. And "Lewie" Bernard's machine remnant is in touch with Cox when "John," as Cox calls McLean, doesn't want anything, either office or revenge. Conventions are held, and Cox plans them in detail. If he has been hearing mutterings among his people about the boss, he is very ostentatious in dictation; otherwise he sits in his favorite beer hall and sends in to those of his delegates whom he wishes to honor slips containing the motions and nominations each is to make. But there must be no nominating speeches. "Takes time; all foolishness; obey orders and get done." He picks ward leaders, and they deliver the votes. The citizens have no choice of parties, but they must get out and vote. Cox is good to some of them. If they knuckle under, he puts respectable men up for the school board. He has little use for schools; not much graft in them; except to cut down their appropriations in favor of fatter departments, and as a place to try respectable men. If these take orders on the school board, Cox tries them higher up, and he has a-plenty. The press is not free. The *Post* and the *Citizens' Bulletin*, the last a weekly organ of the smallest but one of the most enduring groups of reformers in America—these are the only papers that speak out honestly for the public interest. Official advertising, offices for the editors, public-service stock and political prospects for the owners, hold down the rest. It is terrible. The city is all one

great graft; Cox's System is the most perfect thing of the kind in this country, and he is proud of it.

"What you think of it?" he asked, when I had finished and was taking leave.

"Pretty good," I said.

"Pretty——!" He was too disgusted to finish. "Best you ever saw," he retorted, firmly.

"Well, I can't tell," I said. "My criterion for a graft organization is, How few divide the graft. How many divide it here?"

"Ain't no graft," he grumbled.

"Then it's a mighty poor thing."

He pondered a moment. Then, "How many do you say divides up here?"

"Three at least," I said. "You and Garry Herman and Rud Hynicka."

"Ugh!" he grunted, scornfully, and, wagging one finger slowly before my face, he said: "There's only one divides up here."

Of course, that isn't true. He must mean only political graft, the campaign fund, police blackmail, contracts, etc., etc., and even that goes partly to others. Cox admits owning two millions, but some of his followers are very rich also. Cox wouldn't lie about a point like that; but he is growing vain and hates to see other men stand up like men and to hear them admired. They tell how once, in a beer hall, when Herman and Hynicka, his two chief lieutenants, and some others, were talking to some outsiders quite like free, independent men, Cox, who had been poring over his beer, broke in hoarsely, "But when I whistle, you dogs

come out of your holes, don't you?" They were still. "Don't you, Garry?" the master repeated. "That's right," said Garry.

But there is lots of graft besides political graft in Cincinnati, bankers' and business men's graft. Cox is reaching for that, too. Some Cleveland and Cincinnati financiers organized a trust company in Cincinnati, and they took Cox in for his pull and the public moneys he could have deposited there. A quarrel arose, and Cox, taking one side, told the others to buy or sell. They sold, of course, and Cox, becoming president, wrote a letter to officeholders, inviting them to use his bank; the letter to school teachers was published. Certain financiers of Cleveland and Cincinnati got up a scheme to take over the Miami and Erie Canal. They gave Cox stock for Cox's pull on the Legislature, and his letter to the legislators was published. The bill was beaten; business men all along the canal were grafting the water for power, and they fought for *their* graft. The company had floated its stock and bonds, and the failure of the Legislature threw the "canal scandal" into a receivership. Some of the financiers are in trouble, but Cox is safe, and the scheme was to go through next year. Cox was in the scheme to sell or "lease" the Cincinnati Southern, the only steam railroad under municipal ownership. Leading citizens of Cincinnati concocted this grab, but the Germans beat it; and, though it went through later, the city got much better terms.

So, when Cox says only one divides the graft in Cincinnati he probably means that one man can dispose as he will of all of it, police, political, and financial, as the

202 STRUGGLE FOR SELF-GOVERNMENT

examples cited indicate, but he has to let all sorts of men in on it. And he does. And that is his best hold on the graft. They talk in Cincinnati, as they do in Philadelphia, of apathy. Apathy! Apathy is corruption. Cincinnati and Philadelphia are not asleep; they are awake, alive. The life is like that in a dead horse, but it is busy and it is contented. If the commanding men, of all the natural groupings of society, were not interested in graft, no city would put up with what satisfies Cincinnati. For Cincinnati is not unhappy. Men like Elliot H. Pendleton, Rufus B. Smith, and a dozen others, are eating their hearts out with impotent rage, but as for the rest——

The rest are in it for profit or—fear. The bums get free soup; the petty criminals “get off” in court; the plain people or their relatives get jobs or a picnic or a friendly greeting; the Germans get their beer whenever they want it; the neighborhood and ward leaders get offices and graft; “good” Democrats get their share of both; shopkeepers sell to the city or to politicians or they break petty ordinances; the lawyers get cases, and they tell me that the reputation of the bench is such that clients seek lawyers for their standing, not at the bar, but with the ring; the banks get public deposits and license to do business; the public utility companies get franchises and “no regulation”; financiers get canals etc., they “get blackmailed,” too, but they can do “business” by “dividing up”; property owners get low assessments, or high; anybody can get anything in reason, by standing in. And anybody who doesn’t “stand in,” or “stand by,” gets “nothing but trouble.” And there is the point that pricks

deepest in Cincinnati. Cox can punish; he does punish, not with physical cruelty, as a Czar may, but by petty annoyances and "trouble," and political and business ostracism. The reign of Cox is a reign of fear. The experience that made my visits there a personal humiliation was the spectacle I saw of men who were being punished; who wanted to cry out; who sent for me to tell me facts that they knew and suffered and hated; and these men, after leading me into their back offices and closing the door, dared not speak. It was rumored that I was shadowed, and that made them afraid. Afraid of what? They were afraid of their government, of their Czar, of George Cox, who is not afraid of them, or of you, or of me. Cox is a man, we are American citizens, and Cincinnati has proved to Cox that Americans can be reduced to craven cowards.

And Ohio proves that the kind of men that rule us would be willing to see us all Russianized like this. When, in the fall of 1902, the Legislature of Ohio met in special session to adopt one uniform municipal code for all the cities of the State, the men who dominated that State and its Legislature—Hanna, Foraker, Cox, Dick, and the rest—sent to Cincinnati for their bill. Now, I don't believe that charters make governments good or bad; I believe the character of the people of Cincinnati makes Cincinnati what it is; and I believe the citizenship of Cleveland makes Cleveland what it is. But the Federal plan of concentrated power and responsibility, on which the charter of Cleveland was drawn, helped her citizens to rule themselves, and the so-called board plan of scattered irresponsibility which has

been built up in Cincinnati helped Cox to rule Cincinnati. At any rate, the citizens of each place think so, and so do the grafters, big and little. And, with the citizens of both these cities and of the other cities protesting, the big grafters who ruled Ohio took from Cox's men, who drew it, a code modeled on the Cincinnati board plan; and they made their Legislature adopt it for Cleveland and Ohio!

For the Cleveland of Tom Johnson and the Ohio of Hanna. What does it all mean? It means what Hanna means. Hanna is dead, but the spirit of Hanna lives. What does Hanna mean? Unless I have failed to do that man full justice, I have shown that Hanna meant no evil. He was not a bad man. He was the kind of American we all like, the kind that, wanting something, goes after it, fighting, destroying, hurting other men, and, if necessary, corrupting and undermining the government and American institutions, but—winning. They do not mean to do harm. Hanna did not mean to injure the government. When he attended that special session he was there not to make the men of Cleveland what the men of Cincinnati are, not to make the government of Cleveland as bad as the government of Cincinnati. He wanted a street-railway franchise; the Cleveland of Tom Johnson wouldn't give him one. He tried to get one from that special session; his control was so absolute that his friends say they had a hard time making the old man understand why a special Legislature, called for another purpose, could not give him a perpetual grant to the streets in Cleveland! No, Hanna saw only that down in Cincinnati a business man who wanted a franchise could have one; he might have to pay Cox, but he

would get what he wanted in his business. People called Cox a boss, but what of that? He wasn't a "socialist-anarchist-nihilist" like Tom Johnson. Mark Hanna was a good man spoiled by the privileges our government let him steal; he came to think that, not only his franchises were his very own private property, but our government, also.

Now, is it clear why Mayor Johnson came to run for Governor of Ohio? He had to. The System, beaten in Cleveland, had retreated to the State, and there, with its Legislature, its courts, and its other cities, it was preparing to crush him and conquer Cleveland. Hanna, Cox, and the Cox-McLean Cincinnati "Democrats" beat Johnson that time. They elected a "good" banker, Myron T. Herrick. Poor Governor Herrick! I saw him soon after he entered office. He is affable, but weak; everybody spoke well of him then, and he would have done very well, but they gave him the veto, and then his boss died. Banker-fashion, he tried to please everybody, made incompatible promises, tried to escape, but was caught naked in his weakness, and now everybody is too hard on him—except the System. The System leaders make a wry face, but they found him "safe." He carried out a bargain Hanna had made with the brewers. Without knowing that there was a System, he signed a bill to transfer city elections from the spring to the fall; after telling me that he believed the Cleveland School System was the best in the country, he signed, against the protest of all the earnest educators in the State, a bill which put upon Cleveland and all the other cities Cincinnati's plan, modified a little, but making possible a big, irresponsible board. Herrick

was to be renominated, therefore, and he may be reëlected. The System has a strong hold on Ohio. "We have the farmers always," said one of its leaders. But Ohio will escape.

The signs of promise? The boss is dead, the throne is empty, and there is no heir in sight. The people are beginning to see things. Even in Cincinnati (Cox scoffed when I told him so) there is some discontent, and the nucleus of veteran reformers are finding recruits willing to line up against Cox, "just Cox," for a fight, not to throw out the slot machines, not to ameliorate particular evils, but to restore representative government and be free, wholly free. Dayton is bad and glad of it; "we hope to be as 'good' as Cincinnati some day," one of its rulers told me. Southern Ohio is pretty low. But the spirit of the late Mayor Jones lives in Toledo, and though its citizens have to present "petitions in boots" to get it, they do get representative government. And in Cleveland we have, as I write, this spectacle: Two street-railway men, Mayor Johnson, representing the city, President Andrews for his stockholders, negotiating in public for the disposition of the street-railway system. There is no excitement, no bad feeling, no suspicion of boodle or corruption. Some franchises have expired, others are falling in; all must be renewed. Mayor Johnson opposes any renewal except upon terms which will bring to the city two things: First, the removal of the street railways out of politics; second, the benefit, in the form of reduced fares, improved service, or profits, of all that increase of earnings which will come with the natural growth of the city. Mr. Andrews says this is fair, so it is

all a question of terms. Mr. Andrews wants par for his stock. Mr. Johnson points to the market price, 78, and offers more—to be fair. But he will not close a deal without a vote of the people.

“And they will be fair,” Mayor Johnson told me, and Mr. Andrews said: “Oh, they will be fair.”

So the cynics lie who say that capital has to corrupt a democratic government to get a “square deal” from the people. Such men as Horace Andrews, an honest conservative, and Tom Johnson, a patient liberal, could settle Cleveland’s street-railway problem, they and the people they both trust. But will they? Their spirit would settle all our political problems. But will it? See now the other side of the picture: Back of Johnson lurk the red radicals, sneering, eager to throw a brick; and back of Andrews sneaks his big stockholder, who also sneers, and, like the anarchist that he is, stands ready to throw—a bribe. And this other spirit, the spirit of the Hannas, who cried “down with the nihilist-anarchist-socialist,” and annihilating all city charters, waded through municipal anarchy to the class socialism of Cincinnati, this same spirit was corrupting councilmen in the interest of the lighting company while I was in Cleveland, and it was holding at the State capital a bill to take away from the cities, and give to a State board, the power to deal with all the franchise questions in Ohio, State and country, too.

The forces of evil, beaten in the city, hold the State. The forces of good, winning in Cleveland, fighting in Toledo, hopeful in Cincinnati, to hold their own, must carry Ohio. Ohio—the whole State—has to make the choice, the

208 STRUGGLE FOR SELF-GOVERNMENT

choice we all have to make: Cleveland or Cincinnati. The Herricks and Dicks and false "Fire Alarms" won't do; we cannot "stand pat." It is the square deal, or bribes and brickbats; Horace Andrews or Mark Hanna; Tom Johnson or George Cox, all over the United States.¹

¹ Ohio went Democratic in 1905 with an astonishing majority of some 50,000 for Pattison, the Democratic nominee for Governor. Cincinnati rose and, overthrowing Cox, elected Judge Dempsey Mayor on a fusion ticket. Toledo, beating both the old parties, elected for Mayor, Brand Whitlock as the successor of Sam Jones. and, as for Cleveland—Cleveland reelected Tom Johnson with an increased majority.

1905 to Cleveland
good - good, but all
good - Johnson reform-minded

Reform
reform - municipal government
good but only because of
Johnson

Anti Business
without business
Johnson is business reformer
good leader
reform-minded
people are responsible

NEW JERSEY: A TRAITOR STATE

PART I.—THE CONQUEST, SHOWING HOW THE PENNSYLVANIA RAILROAD SEIZED THE GOVERNMENT

EVERY loyal citizen of the United States owes New Jersey a grudge. The State is corrupt; so are certain other States. That the corruption of those other States hurts us all I have tried to indicate by tracing the corrupt origin of the Senators they send to Washington to dominate our national legislation; and there is nothing very exceptional about the Senators from New Jersey. But this State doubly betrays us. The corrupt government of Illinois sold out its people to its own grafters; the organized grafters of Missouri, Wisconsin, and Rhode Island sold, or are selling, out their States to bigger grafters outside. Jersey has been bought and sold both at home and abroad; the State is owned and governed to-day by a syndicate representing capitalists of Newark, Philadelphia, New York, London, and Amsterdam. The offense which commands our special attention, however, and lifts this State into national distinction, is this: New Jersey is selling out the rest of us.

New Jersey charters the trusts. Now, I am not "anti-trust," and I have no words to waste upon an economic discussion of the charter-granting function of government, State or National. Citizenship is my theme, the

character of a "sovereign people" and the effect on the nation as a whole of the failure of any part—ward, town, county, or State—to do its full duty. And the point to fix in mind at present is that when, a few years ago, the American people were disposed to take up deliberately and solve intelligently the common great trust problem, some of the American people seized it and settled it alone; when the States united were considering whether to maintain the system of competition, which was called the "life of trade," some of the States declared for monopolies; when the United States was contriving to curb the growth of overwhelming combinations of capital, New Jersey, for one, sold to the corporations a general law which was a general license to grow, combine, and overwhelm as they would, not in Jersey alone, but anywhere in the United States. Maybe this was wise, but that isn't why Jersey did it. She not only licensed companies to do in other States what those States would not license; she licensed them to do in those other States what she would not let them do in Jersey. No, our sister State was not prompted by any abstract consideration of right and wisdom. New Jersey sold us out for money. She passed her miscellaneous incorporation acts for revenue. And she gets the revenue. Her citizens pay no direct State tax. The corporations pay all the expenses of the State, and more. It was "good business." But it was bribery, the bribery of a whole State; and it was treason. If there is such a thing as treason by a State, then New Jersey is a traitor State.

Nor is this the first time she has appeared in that character. 'Way back in the middle of the last century public

opinion in the other States was declaring Jersey a "foreign country," "out of the Union." In New York they spoke of "the United States *and* New Jersey," and Philadelphia sang a street song calling her "Spain." The grudge of those olden days was the grudge of our day: her "liberal policy" toward corporations. She maintained a railroad monopoly which exploited interstate commerce. It exploited her also, as we shall see, but her chief loss was her good name, and she was paid for that. States, like cities, have specialties. When I was studying municipal corruption I found that most of the big cities had near them lesser towns, to which the vicious could retreat when, during "reform" or other emergencies, the cities had to be "good." St. Louis had its East St. Louis; Pittsburg, its Allegheny; Philadelphia, its Camden; and New York has had Greenwich, Hoboken, Jersey City, and now Brooklyn may play the part. What these retreats are to the vices of their cities, New Jersey is to the vicious business of the States—a resort, a commercial road house, a financial pirate's haven. New Jersey is the business Tenderloin of the United States.

And that is her history. From the moment the family of States was formed, the fathers have gone there to do things they dared not do at home; beginning with Alexander Hamilton. Every American child knows how this great statesman stole off to Jersey Heights to fight his fatal duel with Aaron Burr. He had gone there before. He had gone there on business before. He was the founder of the first great Jersey corporations, and his charters initiated the liberal policy of the State toward corporate

business. It was Alexander Hamilton who discovered the uses of New Jersey.

Lying undeveloped between two thriving cities, New York and Philadelphia, New Jersey, in the early part of the last century, was a barrier between the East and the South and West. How to get over or around Jersey was a national problem; as it still is. Geographical then, it is political now, and it has come down to us political and unsolved because the old solution was political. The geographical barrier was turned to commercial advantage by political power under the lead of Hamilton. He foresaw that the State was to be a national highway, and that the key to its control was the Hudson shore opposite New York. So he interested the Governor, and ex-Governor, a future Governor, and other leading citizens of New Jersey, and they formed, in 1804, The Associates of the Jersey Company—to protect the public interest? Not at all.

Hamilton had a theory. He honestly believed that the people could not govern themselves. Thomas Jefferson believed they could, and he organized the Democratic party, which stood, for a while, for a representative democracy, a government representing the common interests of all the people, with special privileges for none. Hamilton, who led the Federalist party, held that, since there was no king and no nobility, the Republic must be built upon the grateful loyalty of a specially interested business class. Hamilton's theory has prevailed. It is a condition now in every State that I have studied. The Jeffersonian idea still lives here and there, as in President Roosevelt's platform, a "square deal," but wherever it is revived—in Wisconsin,

Missouri, Illinois, or in the Congress—there is trouble. There is no trouble in New Jersey. Hamilton himself nursed the infancy of that State.

The great Federalist from New York and the leading citizens of New Jersey combined to have and to hold “the gateway of the continent” as private property, and Hamilton’s charter not only gave his company governmental powers and rights and privileges, troublesome to the commonwealth down to to-day, it taught the “best people” to rule and, ruling, to use the State for private business purposes. The lesson was well learned. In 1830, when a railroad was projected from Camden to Amboy, the promoters, being pioneer railroad men, were doubtful of the success of the scheme; but they were leading citizens of the State, and they went to the State for aid and easy terms. Though the route chosen was the shortest way through Jersey from Philadelphia waters to a water connection with New York, they talked in modern terms of “developing the resources of the State,” and the Legislature of 1830, to which they applied, met full of popular enthusiasm to grant all that the company might ask. And this is all that it asked: a monopoly forever of the New York-Philadelphia traffic; exemption in perpetuity from taxation; a State subscription to their stock; and plenty of time to build. And they got all this.

What return did they make, these leading Jerseymen, for the generosity of their own people and the substantial aid of their own State? Gratitude? Loyalty? Hamilton’s theory is a modern theory; this question is a modern question; only the answer is old. These men made the same

return to their State that such men so favored have made in our other States: political corruption. So far as I can make out, our privileged classes are not grateful; they are disloyal. The very favors granted them make our leading men enemies of the Republic.

The promoters of the Camden and Amboy foresaw what the people did not, that their monopoly was against public interest; that their exemption would become a public burden; that their success would tempt rivals into the field; and that the development of the resources of the State, which they promised, would make more railways necessary. To protect their precious privileges, therefore, they set deliberately about corrupting the State. And how they did corrupt it! Like the "best people" of Rhode Island, they bought the voters with cash at the polls; they bought the political parties with contributions to the campaign funds; they organized machines and reorganized the government, county by county, town by town, Legislature after Legislature. They nominated their men for office, petty and important, made themselves and their kind Governors and United States Senators; they ruled the State. They put the railroad above the State. With the fat profits of their State-granted privileges, they so corrupted the State that the government represented, not the people of New Jersey, but its railroad. It was a national scandal.

New Jersey became known as the State of Camden and Amboy, and that is what she was; and as such she was execrated and ridiculed throughout the Union. The railroad monopoly charged excessive rates, but it was a monopoly; there was no way around it. Canals and waterways were

used; the Camden and Amboy fought, then bought them. Other railroads over better land routes were projected, one to Jersey City. When these were forced through, the Camden and Amboy forced leases and combinations, and with one of them acquired the majority stock of Hamilton's old associates of Jersey. Since the associates held the exclusive ferry privilege from all the available shore, the political monopoly was made physical; no other roads could have a New York terminal in Jersey, except by "making land" at inconvenient places.

The period that followed, down to 1873, was one of the most disgraceful in the history of the commercial corruption of American politics. The United States was growing, business was increasing, and the traffic had to pass over "the highway of the continent." Other roads had to come, and they did come. The new companies "made land," dug tunnels, crossed mountains—the physical difficulties were overcome in time; it was the political monopoly, the highwayman State itself, that held up the business enterprise of the whole country. Not that these new promoters were not willing to pay. They, also, were great captains of industry, and they went to Trenton with their pockets full of bribe money. Ask an aged Jersey grafter for the traditions of that time, and a lascivious expression of greedy contemplation will come over his face. "Those were the days!" The new roads paid cheerful blackmail to the Jersey Legislature, and the Jersey legislators took money from "the foreigners," but they stood by the Camden and Amboy, which paid more. And the people of the State were with the monopoly. The people of the United States

were back of the new roads, and public opinion ran high, but Jersey was grateful and loyal to the railroad that "made the State." Jersey had "State pride." She was a "State's rights" State. She had a few slaves, and leaned to the South; she is the one Northern State that refused, during the war, to let her soldiers vote in the field, and so cast her electoral vote against Lincoln. The State that lets trusts do in other States what those States won't permit, and what Jersey won't permit in Jersey, was ever for herself and her own; and in the great "National Railway fight" you find her legislative (Camden and Amboy) orators appealing to the local sentiment against "foreign railroad companies which propose to use the State only as a convenience," and a "corporation chartered by Pennsylvania in which the State of New Jersey has no particular interest."

What "particular interest" had the State in the Camden and Amboy? Indignant public opinion in the nation asked and the newspapers found out. In lieu of all taxes, the Camden and Amboy Railroad had arranged with the Camden and Amboy Legislature in its charters that the State was to collect so much a head on passengers, and so much a ton on freight carried across the State on the road. In other words, besides the onerous charges for transportation, the railroad was to collect what was called a "transit duty" for the State. It was this discovery that finally enraged the national mind and brought down upon Jersey the old charge of treason referred to above. The "transit duty" was called by the press of New York and Philadelphia an "import duty." Jerseymen to this day are sensi-

tive on the point. They declare, as Governor Randolph put it in a special message to the Legislature of 1869, that the transit duty system was "either persistently misunderstood or willfully misrepresented by the citizens of other States." The Jersey reasoning is that any tax on a railroad is borne by the traffic, and, of course, this is sound. None the less the "misrepresentation" by the other States was just: the obvious *intention* of that transit duty, levied only on through freight and through passengers, was to relieve the road of a tax, and let the State take it out of the country at large!

That is New Jersey. That was the spirit of those old transit duties, that is the spirit of her modern corporation policy. Being that, however, being what she was to the Camden and Amboy, Jersey was sure, sooner or later, to let others in unto her. The business which builds a monopoly on political corruption, prepares the way for its own undoing. One by one, the Delaware, Lackawanna and Western, the Erie, the Jersey Central, etc., famous bribers all, bribed their way in, fighting the Camden, fighting one another, till, being in, they joined together to fight with bribery belated newcomers who came with fresh bribes. None of these roads, however, could compete for the New York-Philadelphia traffic. The Camden, reorganized as the United Railroads of New Jersey, held that fast, and a National Railroad Company which proposed to parallel the monopoly was held at bay, session after session, by the State of Camden and Amboy. And to what end?

In 1871 the Camden and Amboy was "leased" to the Pennsylvania Railroad. The "leading citizens" of Jersey,

—a “ specially interested business class,” if there ever was one—had not only not been made “ gratefully loyal,” they had developed in the State a loyalty to their company, corrupt and sordid, but none the less grateful, and then they turned their favored Jersey railroad over to a foreign corporation, owned in Philadelphia, New York, London, and Amsterdam. Like the Rhode Island captains of industry and politics, those of New Jersey financed their political power and sold it—sacred charters, rights, privileges, property, exemptions, and all—to Pennsylvania capital, whither, apparently, all our curses flow.

New Jersey, dumfounded, turned to rend the now “ foreign ” monopoly. The lease was attacked and a just tax was proposed for the road. The National and other railway promoters who rushed with fresh hope to Trenton, were cheered on by the State, and a general railway law to permit anybody to build a railway anywhere was broached. It looked as though Jersey meant to be free. But the “ leading Jerseymen,” who had delivered over the great Jersey railroad, threw into the bargain their old Camden and Amboy political organization. In other words, with the monopoly, they sold also their people, their State, or, the political machinery which held the sovereignty of the State! This machinery was somewhat run down and the sale had given it a bad jar, but the buyers were men who knew their business. Heavily owned though it is abroad, the Pennsylvania has always been managed by American captains of industry, and they know how to protect their stockholders against the American people; other American businesses have beaten them at times; the govern-

ment very seldom. They are, and they always have been, masters of American politics. When the Pennsylvania went into Jersey, it went in with eyes wide open. It knew it had to conquer the State, and it did conquer it. The Pennsylvania Railroad completed the corruption of that State, perfected the present Jersey government, and, as we shall see, adopted for purposes of its own the charter-granting system which has produced, for example, the Shipbuilding Trust.

The conquest of New Jersey by the Pennsylvania was slow but exciting, and to a people once so swollen with State pride, now so meek under their State's humiliation, the story must be fascinating. Politically speaking, the State was Democratic. Now it is Republican. It was Democratic before and during the war. The soldiers returning home in 1866 made the Legislature Republican for two years, but the State was only going back to its own when, in 1869 and 1870, the Democrats carried both houses of the Legislature. The preparation for the "lease" was begun in 1870, and the Legislature reflected the popular feeling, which was intense, against the "foreign monopoly." There was nothing for it, therefore, but to take control, and that is the settled Pennsylvania policy: not to buy legislators, but to own the Legislature; not to corrupt government, but to be the State. So, while the Jersey men in the proposed National Company were charging up to Trenton to get their charter, the foreign conquerors laid a plan to get New Jersey.

The first step toward getting a government to represent you (whether you are a grafter or a good citizen) is to get

a party to represent you. The Pennsylvania plan was to buy at the polls the election of a Republican Legislature, for 1871, to represent the Pennsylvania. That Legislature would have to reapportion the State upon the basis of the census of 1870, and it could gerrymander the districts so as to hold the Assembly for years. The Democrats nearly spoiled the scheme. Getting wind of it, they and the National undertook to anticipate the gerrymander with one of their own. This was "unprecedented"; but a bill was drawn and the Pennsylvania had to fight it with fire. The Camden machine owned some Democrats along the line of the road, and they bought enough more to beat that Democratic gerrymander in that Democratic Legislature, even though the Democrats knew it might mean the loss of their power for ten years.

The campaign that followed was one of those tests of democratic government which go to show that the cynics may be right when they say the people can't govern themselves. The issue was plain—monopoly vs. competition—and popular sentiment was strong and all one way. Money was spent by both sides in immense sums at the polls, and voters took money from both sides. No one knows, of course, which party put up the greater amount, but here is the result: the anti-monopoly voters threw out the "anti-monopoly party," and elected a Republican majority to both houses.

The monopoly victory was so decisive that the National made no open fight in the next session. The Republicans had little else to do but to reapportion the State; and they did indeed reapportion it! I have come upon some interest-

ing gerrymanders in the course of my investigations, never one like this. It amounted to a reorganization of government. Jersey City was a Democratic stronghold. This Republican Legislature drew a district shaped like a horse-shoe to contain almost all the Democratic voters, made that one assembly district, and divided up the rest of the city so that the Republican minority could easily elect all the other assemblymen. This is but a sample of what was done all over the State. That gerrymander made Jersey a national scandal again, but it "worked"; the Democrats could roll up a majority of 10,000 for a Governor without budging the Republicans from the Legislature. Nor is that all that was accomplished. The (Pennsylvania) Republicans legislated Democrats out of office, even down into cities and counties, turned local elective officers into commissions appointed by the Legislature, transferred purely municipal functions over to Republican boards and so fastened the hold of rings upon cities, towns, and counties that stealing was overdone. Two cities, Rahway and Elizabeth, were run into bankruptcy. One Senator who legislated himself into power robbed himself into prison. The ring treasurer of a third, Jersey City, had to flee with \$60,000 to Mexico, where bandits robbed him. The evils were so great, indeed, that the next Legislature (1872) had to send a committee to "investigate" Jersey City. The ring wine and dined and otherwise so entertained the committee that their report was a "whitewash," and, meanwhile, the riot of special legislation went on at Trenton. Governor Joel Parker in his message of 1873 said: "The general laws passed at the last session are contained in

about one hundred pages of the Session Laws, while the special and private laws occupy over 1,450 pages of the same book." The constitutional amendment, forbidding special and private legislation, which the Governor proposed, was finally forced through by public clamor, and a timely church raid (which I cannot stop to describe) upon the public treasury.

We must not blame the Pennsylvania for all this, nor the Republicans. The Democrats were "just as bad." The Governor of New Jersey appoints all but two State officers, all law judges, and all county prosecutors of pleas, so that even when the corrupted people elected corrupted Republicans to the Legislature, the corrupt Democratic "State Ring" had the State graft; and that was rich and exhaustive. The Republicans were compelled to resort to the local graft, and the Pennsylvania had to let them have it. As representatives of our ruling special interests have often explained to me, they have no time to rule well; they cannot be bothered giving us good government; it is all they can do to protect themselves. And certainly the Pennsylvania was fully occupied at this period. The National Railway people returned to the charge in 1873, with boodle in their hands, and public opinion at their backs. Both houses were Republican, but the Pennsylvania's system was not perfected and the Republican legislators were untried; corruption was at that low stage where "money talks"—not the campaign fund, but cash bribery. So you find the press of the day asking, "Do the Pennsylvania people own the Legislature, or must they buy it?" The answer was that they owned it, but it was so corrupt that they had to

buy it over again. They organized the Senate, but the opposition showed strong in the Assembly.

When the Assembly took up and advanced a National Railway bill, the State was in a passion of delight. The promoters had filled up their directorate with well-known Jersey names, and Jersey turned out to help these honest Jerseymen break the corrupt foreign monopoly. The monopoly men had a chance to deliver a crushing blow to this provincialism. Through the Legislature of 1872, somebody had "sneaked" an act ostensibly for a small ore railroad up in Morris County. After it was passed somebody else had bought the ore franchise, and had begun to connect a lot of small railroads to make a continuous line from Jersey City to Philadelphia. A section of the act permitted this. The railroad Republicans, "called down" to Philadelphia, declared that that section was inserted after passage. Ordered to prove it, they produced evidence that a certain official had received \$162,800 to put through the job, and that the money came from the National. The Pennsylvania cried "Fraud," but public opinion would not credit such trickery in honest Jersey directors till the Pennsylvania took the matter to court. Just when everybody was rejoicing over the progress of the National's charter bill, a decision was handed down declaring in effect that there was indeed fraud, and that the National's franchise steal should not succeed.

The Jersey public was prepared now to turn in disgust from the National, but, after all, as one Senator put it, "while some of that crowd should be in State's prison, some of the Pennsylvania men deserve as richly to be there."

So the fight went on. The Assembly passed the National bill up to the Senate. There a Pennsylvania bill, authorizing that company to occupy the disputed territory, was introduced. Thirty days' notice was required for such a bill, but the Pennsylvania appropriated a notice published for another bill. Senator Sewell (Rep.) confessed the trick; Senator McPherson (Dem.), besought his colleagues not to entertain such a suspicion. The Pennsylvania already was getting representatives in the Democratic party as well as in its own, and these two Senators were for "the road"; they advanced "the Pennsy's" bill. There was no expectation of passing it; it was meant only to block the game. And it did, for a few days. Then a belief spread that the National's bill could be passed. Between bribery and the pressure of public opinion, certain doubtful members were "fixed to vote right." But where was the bill? The Senate called for it; it was not forthcoming. The committee was asked to report. But the committeeman who had it was missing, too. There was an uproar, and the Senate demanded a report. Senators Sewell and McPherson, in defense of the committee, besought their colleagues to modify their tone, and "demand" was amended to "request." Then the secretary of the Senate produced the bill from his pocket, saying the absent committeeman had ordered him "not to let it get out." Why? The Pennsylvania had bought back those doubtful Senators, but hoped to save them the exposure of a vote. They did their best, but when the lobbyists saw that the roll must be called they stood behind pillars grinning. They foresaw the howl that would rise

from the Jersey crowd, but they did not foresee the full force of the rage. The bill was beaten. There was a pause, then the crowd, yelling "Kill him!" rushed at one Senator, and he had to be rescued and escorted to his hotel by a bodyguard of lobbyists.

Thus again the Pennsylvania was victorious, but the triumph this time was short-lived. The public was incensed, and the crowd at Trenton was reckless. The old cry for a general railway law was taken up. The sentiment for such a law had been so strong that the Pennsylvania's orators in the Legislature had been using it all through the session, not because "the" road wanted to throw the State open, but to divide the National's forces. Now the National's legislators saw their chance to get even and to win. A general railway bill had been introduced early in the session; it had come from an obscure member and been consigned to obscurity in a "safe" committee. In the heat of defeat, the National legislators called for that bill. "The Pennsylvania want a general railroad bill; here they have one." So, with the sullen citizens looking on, this bill was passed. Some say the Pennsylvania had surrendered in a deal with its rivals; others that the road "couldn't make its legislators stand up." At any rate, it was without any open opposition from this quarter that the present general railway law of New Jersey was enacted—amid cheers, speeches, and the firing of cannon. Jersey was a free State!

Was she? Eternal vigilance, they say, is the price of liberty. It is, and the corruptionists pay it. When the good citizens of Jersey went home, the Pennsylvania went

to work. Hence, the Pennsylvania came to rule again. When the people separated, having beaten one bribing railroad with another and opened the way to all bribing railroads, all the railroads got together to beat all the people. They had to. They had privileges and exemptions which were valuable, and against the public interest. Hence Jersey became, not free, but common—free only to the railroads, which *had* to control the government.

The Pennsylvania took the lead. Being a non-resident ruler, the company must depend upon the loyalty (to it) of citizens of the State. The long monopoly fight had served to test men, and the road used all its machinery, political and financial, to reward and advance those who had stayed bought, or, for any reason, had stood by it, and to punish and retire those who, for any reason, had stood up for the public. General William J. Sewell, the Republican State Senator whom we have had a glimpse of speaking openly for the monopoly, was made “the” man. He was a “good fellow.” An Irishman, unlettered, but able; generous, but firm; unscrupulous, but magnificently candid, he never made any bones about the fact that he represented “the road.” He was an officer of the company. The head of a lot of subsidiary Camden and Amboy companies, he was the boss of the old South Jersey Tammany-Republican political machine, and under the eye of the “head offices” of the Pennsylvania Company at Philadelphia he extended his power until he became the recognized Republican boss of the State.

General Sewell was more than that. As the representative of that railroad which was the chief source of

corruption, he was a power in both parties. His policy was broad. He furthered business, especially privileged business; he encouraged all industry and enterprise, but his chief care was for those that wanted things, favors or protection, and were willing to help bear the expense of corrupting the State. All the railroads were in this governing class, and, though some of them were Democrats, they had so much in common that they exercised eternal vigilance together, *i. e.*, let their lobbies and legislators labor together. For example, Miles Ross, the Democratic boss of Middlesex County, who represented the Lehigh Valley Railroad both in his county and in the Legislature (till he went to Congress), was practically a lieutenant of Sewell, and politicians and newspaper men told me that most of the time the election of a Democratic Governor and a Republican Senate was the result of an understanding between the parties. They fought for the Assembly, but even that was to be always "railroad." So Sewell became in time a bipartisan boss and the actual head of the State. That is to say, he, with United States Senator John R. McPherson, a Democrat, but also a "Penn. man," ruled New Jersey in the interest of the Pennsylvania and the other railroads and "business."

Under Sewell's guidance all went well in Jersey for a while. There were troubles, but they were purely political troubles, and we have little to do with "pure politics" in this State. Business prospered, and every American knows that business prosperity is all that men and government exist for. The Democratic State House ring was grafting on the State, and the county rings were graft-

ing on their counties. Miles Ross was financiering his Middlesex; David Baird, Sewell's Camden lieutenant, was making his county pay; Garret A. Hobart was getting control of water, both for power and for life, up in Passaic, etc., etc. The railroads were grabbing water fronts down around Jersey City; the Lehigh had bought and was running down its cheap competitor, the Morris Canal, which the road and the politicians were turning, without a license, into a water supply for towns and factories. I cannot go into all the "enterprises" of this kind that show the beneficence of Jersey's business government in that period of prosperity and no trouble. One will have to do, an incident that illustrates the most points and leads us up to the second pitched battle between Jersey and her foreign conquerors.

By 1880, Sewell's government was so entrenched that both parties represented the railroads, to which both looked for campaign funds, patronage, and other favors. Some of the Democratic leaders showed a dangerous leaning to public opinion, however, and it was decided that the time had about come to elect a Republican Governor, and make everything "safe and solid." This would take lots of money, so Sewell and his company looked around for a rich candidate. They chose a suburbanite, Frederic A. Potts, a "coal king" of New York City, with many corporation connections, and a director of the Jersey Central. To bring in the rest of the railroads, and to finance the campaign, Hobart was made chairman of the Republican State committee.

This was a combination of sovereigns, and the Dem-

ocrats in alarm put up to break it a candidate who was expected to draw Pennsylvania railroad support—George C. Ludlow, a State Senator who was a local attorney for “the” road. His nomination was forced, the campaign was a scandal, and there was fraud at the polls, but Ludlow was elected. Mr. Potts declared that the Pennsylvania did go back on him, and when Ludlow’s majority proved to be only 251, innocent Republican partisans cried “Fraud,” and demanded an investigation. Their managers suppressed this move. The Republicans were in no position to investigate, and besides, the Legislature was Republican, and the Governor, though a Democrat, was a Pennsylvania railroad man. “Business” would be “safe.”

Much stress has been laid in these articles upon the number of corporation men who are promoted to high places in our government, and the regularity with which they represent their clients is significant. But the exceptions are also significant, and Governor Ludlow was an exception. When he became Governor of New Jersey he represented New Jersey. His Republican Legislature, with Hobart president of the Senate, represented the railroads and the joint session, with “Gardner of Atlantic” in the chair, sent General Sewell to the United States Senate to help do to the rest of us what he was doing to Jersey. A flood of railroad and other business bills were passed, and Governor Ludlow could not stop them. He could speak for the common interest of the State, however, and he did, and in 1882 the Assembly turned up Democratic to support him. The Senate, made up, like Rhode Island, of twenty-one Senators, one from each county, no matter

what the population is, was controlled by eleven "rotten boroughs." So the upper house held Republican, and again the business bills flowed in. Among them were several (introduced by "Gardner of Atlantic") which separately looked innocent enough, but which together carried a deal. One was to enable corporations to increase their capital stock, another was to "file maps," etc. The first was to help one party in the Jersey Central to vote another out of control, and the others secured to the Pennsylvania a right, disputed in the courts at the time, to seize, hold, and exclude Jersey City (and its sewer-pipes) and others from a certain water front. The Standard Oil was in on this. This company had sneaked into the State underground, with her pipe lines, the railroads and the bosses helping her and holding up rivals. That was her way. The Standard Oil hates to go to Legislatures herself, so she sends her railroads. She had property on the water front. The Pennsylvania had a branch to it. One of the little "niggers" discovered in this group of bills was a provision to exempt from taxation, etc.—this "ten-acre terminal," which included the Standard Oil property.

These bills crept undebated through the Senate and were well on their way in the House, when their rottenness was discovered and declared. Then the railroads sent counsel to defend them and, with the lobby at work, forced them on up to the Governor. Tremendous pressure was brought to bear upon him to sign them; the corporations demanded that he be loyal to them, his professional clients and his political creators, and they threatened to ruin him if he was loyal to the State. Ludlow vetoed those

bills in a message that aroused the State. No matter. The Republican Senate passed them over the veto, and the Democratic House was doing likewise, when a member rose in his place and waving five one-hundred-dollar bills in one hand and an affidavit in the other, announced that this money was half of a bribe of \$1,000 promised him for his vote. To "peach" is against the most sacred rules of the game. The House adjourned. A committee was appointed to investigate. That committee heard one assemblyman confess that he had taken a retainer to deliver "three or four speeches" (including his vote, of course) for the bills; another that "Cul" Barcalow, the Pennsylvania's chief lobbyist, had dropped a remark, as he passed him, that it was "worth a thousand" to vote for the bills. So there was money in the business, but the committee reported that the lobbyist's remark was a joke (no lobbyist could mean such a thing seriously); and, as for the cash shown in the House, that could not be traced to a corporation. Nothing was done, therefore. But the "joke" and some sharp maneuvering beat the bills.

Governor Ludlow rendered his State a far greater service than this, however. Whenever a man in public office actually represents the public interest, he revives the Jeffersonian idea, and, as we have noticed before, that makes trouble. Governor Ludlow started the greatest trouble Jersey ever had. He was not a great man and he seems to have had no very definite policy. Like Folk in Missouri, like LaFollette in Wisconsin, and like Theodore Roosevelt now in the United States, whenever he saw an evil head he hit it. That is enough. That brings the

special interests out into the light and raises the great question, Who is to govern this country, the people or the few who are corrupting it? It doesn't matter what the particular issue is—a revision of the tariff, a ship subsidy bill, the trial of a boodler, the enforcement of a liquor law, the just taxation of a railroad, or the regulation of railroad rates—let a man press any point that touches the so-called “specially interested business class” and he will arraign against him all the allied forces that are running the government—city, State, and nation—to get privileges from it and to protect those that they already have.

The particular issue in Jersey is “equal taxation,” and Governor Ludlow raised it. It was the underlying issue in the 'Sixties, it is the issue over there to-day, it is the issue for which, principally, the railroads had been preparing all these years. They “had to.” Every Legislature from the 'Thirties on, that for any reason, honest or corrupt, admitted to the State a railroad with a charter exempting from taxation “all railroad property used for railroad purposes,” made it absolutely necessary, according to business ethics, to help corrupt the government and keep it corrupt. That exemption was a valuable privilege, and it was a burden to the people of the State. As all those many Jersey railroads grew and prospered, the value and the amount of their property increased. They acquired more and more land, more and more buildings, more and more stations, and bigger and bigger terminals. Each purchase, grab, or extension of theirs removed just so much of the most valuable property from local and

“equal” taxation. The cost of government increased steadily, of course; the railroads were careful about public improvements, and they permitted very few. But the corruptionists had to let the corrupted local leaders have some money to spend in (and thus appease, satisfy, bribe) their counties. So the expenses went on growing, and, since the railroads could not be taxed, the citizens had to pay; not only, mind you, to meet the normal increase, but the deficiency also, due to the growing railroad exemptions.

Charles L. Corbin, now one of the leading corporation lawyers in the State, summed up the situation at the time. He was explaining how it came about that New Jersey had such a heavy debt and so high a tax rate. It was not due, he said, to stealing. “Although scandalous defalcations have come to light in probably more than half the cities . . . the losses . . . have been made good by bondsmen. . . . No expensive public works have been carried on. No Governor of the State has found the cost of the capitol a painful subject to contemplate in his message. There is no State canal, no Brooklyn or St. Louis bridge, no Hoosac tunnel, no Tweed court-house, to show for all the millions added to the debt of the last decade. I believe there is not in all New Jersey a city park of ten acres extent. . . . The people have been taxed to the limit of their endurance, in some cases beyond it, yet the burden continues to increase. . . . Should another business revulsion take place, the number of bankrupt cities would be greatly increased.”

After this picture, Mr. Corbin stated the cause: “More

than one-fourth the property of the State is exempt from county and local taxation. That exempted property belongs to the railroad companies." Estimating at \$250,000,000 the value of this exempt railroad property, Mr. Corbin showed that "the people of New Jersey were paying an annual subsidy of \$2,000,000 to the owners of the railroad property in the State!"

When Governor Ludlow showed himself a free man, this condition was brought to his attention by Mr. Corbin and other men who had been seeking for years to correct it. The Governor urged the Legislature to take it up, and bills were introduced. The Legislature, with "Gardner of Atlantic" presiding over the Senate, killed these bills, and nothing was accomplished in Ludlow's administration. The question was up, however; the railroads had had to show themselves to beat it off, and with the scandal of "Gardner of Atlantic's" little bills, to illustrate the methods of the roads, the American citizen had the sensation needed to excite him to revolt.

Jersey was so excited in 1883 that both parties adopted platforms pledging their candidates to tax reform. We all know what railroad platforms are for; in this railroad State the citizens paid little heed to them; they looked to the candidates. A Jersey Governor cannot succeed himself, so Ludlow could not run. The Democrats nominated Leon Abbett, the Republicans a judge on the bench. Now, I make it a rule not to criticise the courts, but some lawyer should—and the place to go first for the facts is New Jersey. The judges over there are not elected; high and low, they all are appointed by the Governor. Business men and

lawyers tell me that is the way to insure a strong bench. Rhode Island does not prove this, and taking up one by one the appointments to the bench in Jersey, tracing the past records of the judges, and noting the decisions that bore on my work, I got somehow the impression that those courts were part of the Jersey system. As a layman, I asked corporation lawyers in Wall Street for their opinion, and I heard from them that the Jersey bench ranks among the very best State courts in the land. So I should say that "Jersey justice" offers a fair test. Whatever was found to be true there might be accepted with confidence as more typical than, for instance, the results of an investigation in Missouri.

Whatever may be said of the bench as a bench, however, I feel safe in this generalization: Judges make poor leaders of a political campaign. They are not democratic enough. They seem to put too much faith in machinery, legal, political, social, and this judge whom the Republicans nominated in their day of trouble left it to the organization to make him Governor, as it had made him judge. As he said, he "waited where he was" in dignified silence for the office and the people to come to him, and, while he waited, Leon Abbett, who went to the people, was elected.

Abbett had to go to the people. It seems to me that this most interesting man was an instinctive democrat, and would naturally have campaigned the State, county by county, as he did. But no two Jersey witnesses agree about him now any longer, and it is certain that when he ran for Governor he was forced by the fury of the attacks on his imperfect record to fight on the stump. Besides the

Republican party, some of the State House ring of his own party, and most of the big interests back of both parties, were against him. It is believed that the Pennsylvania's Republican machine secretly supported him, and he was an old Camden and Amboy legislator. But he was called a "politician," a "demagogue," an "anarchist"; and I find that "business" reserves these bad names for men who are brave enough to challenge and able enough to beat bad business; and that was Abbett. There was another charge against the man, however: ambition. His enemies said he cared nothing for the State; which was not true; or for the governorship, which was partly true. They said he wanted to be a United States Senator, and believed that by taxing the railroads he could achieve his ambition. Here was the outrageous truth, I guess: Leon Abbett was one of those "unscrupulous politicians" who want, not money, but office, and who think to rise, even to the United States Senate, by serving, not the special, but the common interests of the State. This makes the man interesting to all of us; his career was an experiment in democracy.

Abbett did tax the railroads. He did not tax them as they should be taxed, like other property, but there is an excuse for that failure. He represented the people; the Legislature did not. The American people too commonly depend upon one man, the executive, to legislate for them; they neglect the Legislature, which was meant to be the representative, law-making branch of the government. The result is such typical situations as that of President Roosevelt and the Congress to-day (1905), and

of Governor Abbett in New Jersey in 1884. The President is urging a law granting to the interstate commerce commission power to regulate railroad rates; the Jersey Governor was for a law to tax private and railroad property on the same footing; both men were acting for the common against the special interests. Now, note the parallel of their experiences. Abbett had an equal-tax bill introduced in the Assembly, and it was called the "Governor's bill"; just as the rate bill introduced in the House of Representatives is known as the "President's bill." Railroad men rushed to Trenton as we have seen them rush to Washington. Abbett had aroused public opinion, however, and the railroads could not make their assemblymen stand up. Like the House of Representatives, the Jersey Assembly passed the "Governor's bill" with an overwhelming vote up to the Senate. That is as far as the President's bill has gone up to this writing, but, as it progresses, see if the parallel is not carried out. Public opinion in Jersey was such that even the Senators were alarmed. They must do something. When the special interests see that "some legislation" is necessary, they always want to draw the bill themselves. So, the Jersey Senate appointed a committee, with John W. Griggs for chairman; hearings were held; the railroads appeared (United States Senator Sewell for the Pennsylvania), and they pleaded for the sacred rights of (their) property, and the inviolability (by the State) of their contracts with the State. In vain. Some sort of a bill had to be drawn. So the committee drew a bill taxing the railroads, not equally—they were to be put in a class by themselves—still the Griggs bill provided

for a tax on railroads. Some of the railroad men objected even to this compromise—"Gardner of Atlantic," for example. But there was the Governor's bill to meet, and the Griggs bill was introduced to meet it. There was a deadlock. The railroads used all their power, legitimate and illegitimate; the Governor used all his, legitimate and illegitimate—patronage, vetoes, even a threat to veto the appropriation bills. It was no use. The Griggs bill might be passed, not the Governor's. As the session drew to a close, the Governor was persuaded to take "half a loaf"; the Griggs bill would increase by about \$300,000 the revenue of the State. That was something. The Governor consented to make terms with the railroads. In the current discussion of the President's rate-regulation bill, I notice that railroad men are saying that they would not mind the regulation so much if only they could have a "better," a "more expert" commission. That was the chief point in the deal between Governor Abbett and the railroads of his State. If the roads must be taxed, then the roads must do the taxing. If laws must be passed against special interests, special interests want not only to draw the laws, but to execute them. Abbett won the present railroad-tax law of New Jersey by making two of the four assessors (Pennsylvania) railroad men.

Some of the roads, left out of the final deal, resisted the law, but Governor Abbett brought them to terms. The Jersey Central appealed to the courts. There was a suspicion abroad that the law had been drawn to be ruled unconstitutional, and, when the Supreme Court so held, the comment through the State was rather excited. This

tradition, still believed but unsupported by evidence, goes on to relate that the Governor served notice on the roads that if the law was not upheld on appeal he would "equal-tax" them. Anyhow, the Court of Appeals did reverse the lower court and declare the law sound. Even then the Delaware, Lackawanna and Western would not pay; till the Governor discovered that this road, so insistent upon its own rights, had not paid even the taxes it admitted it should pay. In a special message, the Governor declared that the Delaware, Lackawanna and Western (whose president, by the way, used to put a Bible in each car) had scaled down the value of personal property and equipment, in twenty years, from thirteen to three millions, and that consequently it had cheated the State out of one million dollars. This set the Legislature in motion to take away its charter, and the road offered to obey the new law. The Governor demanded now, however, those arrears of taxes also, and, upon the decision of umpires that at least \$300,000 was due, this "loyally grateful" corporation performed for once its duty to the State.

Thus did Leon Abbett seize as Governor the powers of the Governor, and reassert the sovereignty of his State, even over the railroads. This, to get a United States Senatorship. Did he deserve the promotion? He was not a "good man," only a "good politician"; he "dickered" and he "dealt"; to pass that railroad bill he used all the arts of his profession, save only cash bribery, and he showed himself not above that, for, having no money, he paid out public offices; and patronage is simply bribery which the public pays. So Governor Abbett was not the

perfect man we are looking for to give us good government. Far from it; personally, Leon Abbett was as bad as William J. Sewell. But Sewell was in the Senate; indeed, it was Sewell's seat that Abbett was after; and Sewell had got it *because* he was bad. Why, then, shouldn't Abbett have it? What was the difference?

There was a difference, and that difference beat Abbett. What was it? I think it was this: while Sewell was bad in the interest of "business," Abbett was bad in the interest of the State. But let us see: there were other differences between these two men; Sewell was a Republican, Abbett was a Democrat. But Sewell's Jersey colleague in the Senate at that time was John R. McPherson, a Democrat. We have seen him fighting side by side with Sewell for the Pennsylvania in the State Senate; and all Jersey remembers a certain letter which a certain railroad man wrote to Abram S. Hewitt, a director of the Reading (the old National) Railroad, to warn him of a conversation, overheard at the Continental Hotel in Philadelphia, in which Sewell and McPherson were alleged to have agreed, since both represented the Pennsylvania, that neither should fight for his own party when the other was up for reelection to the Senate. That is to say, when Sewell (Rep.) was running for his seat, McPherson (Dem.) was to let the Republicans carry certain doubtful districts, so that Sewell (P. R. R.) could go to Washington, and when McPherson (Dem.) was running, Sewell (Rep.) was to let the Democrats carry certain close districts which the "road" could "influence," so that McPherson (P. R. R.) could go back.

So long as the Senator represented the Pennsylvania,

the party made no difference; was it that? Not exactly. When now (1886) Governor Abbett was running against Sewell, the Governor saw to it that the Democrats made a fight. One wing of the party, missing the railroad "backing," wanted to nominate a railroad man for Governor, and, since the Jersey Central was angry, not only at the party for taxing it, but at the Pennsylvania for having "grabbed" for itself both "railroad representatives" on the tax board, the railroad Democrats suggested Rufus Blodgett, superintendent of the Long Branch division of the Central. Abbett, by making humiliating concessions to one of the State House ring, beat Blodgett, won the nomination for his man, Robert S. Green, and with "Green for Governor" the Democrats carried the election. They had on joint ballot in the Legislature a majority, narrow, but sufficient to elect a Democrat to the Senate—if the voting was straight. But the voting could not be straight, and Sewell had hopes. The excitement was intense, the scandal was sordid and loud. Some of the Democrats were purchasable, and if Sewell had had the solid support of his party, the "road" could have bought back his seat for him. But, just as the dishonest Democrats made Abbett's election doubtful, so some honest Republicans made Sewell's impossible. They would not vote for him. There was a dead-lock. Reluctantly, Sewell had to give up. It was anybody to beat Abbett. The railroad Democrats sent word to the railroad Republicans that they were ready to unite, but only on a Democrat. The railroad Republicans asked for a list of three Democrats to choose from. The railroad Democrats furnished a list, headed by Rufus

Blodgett, and the railroad Republicans took him. Thus was Leon Abbett punished by the System which sent Rufus Blodgett to the United States Senate.

So any railroad man would do; was that it? Evidently Leon Abbett thought so, for, bitterly disappointed, he set about getting him a railroad. The Baltimore and Ohio, a great corruptionist at home, was coming into Jersey. Under the general railway law, it was free to cross the State. But a bridge over the Kills to Staten Island was necessary, and the general law did not provide for bridges. The Legislature had to grant a special permission to bridge the Kills, and the Pennsylvania and the other roads objected. The Legislature was theirs. Abbett, as Governor, had favored this further "development of the resources of the State," so in 1889, when the term of his friend, United States Senator McPherson, expired, the ex-Governor went after his seat with Baltimore and Ohio "backing." Abbett's movements were very quiet, and McPherson had no suspicion of his strength till the Democratic caucus was about to meet. Then it appeared that Abbett had a majority. McPherson rushed forth to sound an alarm; the chairman was his, and the meeting was held up while the McPherson and Pennsylvania agents and Miles Ross "argued" with the members. Abbett's Baltimore and Ohio "strength" was soon exhausted, and McPherson (P. R. R. Dem.) was reelected to the Senate.

So a United States Senatorship represented not only money, but the most money; and not only a railroad, but the sovereign railroads—the organized power in both parties of established vested interests. Was that the secret?

That is the suspicion which I have gathered in other States, where it has seemed that the United States Senate must be made up of the representatives from each State, not of the people, not even of the State, but of the corrupt system of each State. This would account for much that happens in the Senate, and it is pretty clear that Leon Abbett saw it so. For this remarkable man, undaunted by two defeats, still pursued his ambition. He fixed his eyes on the seat Rufus Blodgett would vacate four years hence, and to win it the ex-Governor proceeded with the organization of his political machine, the establishment of a vested interest, and the creation of a System, all his own.

During Abbett's term and that of Governor Green the Jersey Democrats did what the Pennsylvania Republicans had done twenty years before: they gerrymandered the State. The grafters had long ago learned how, by dividing cities and towns into classes, they could evade the constitutional amendment adopted to prevent special legislation, and the Abbett organization now used their Legislature to legislate the Republicans out and themselves into control of local governments. This was to strengthen their party, and, for the sake of the "strength," the local leaders had to be allowed to loot their localities, of course; a machine has to be built from the ground up.

But a machine, to become a system, must have a vested interest. The Republicans had made one that just suited the Democrats. It seems that when the Democrats, with their "anti-railroad demagoguery," had won the plain people, the Republicans felt the need of "popular support." The Prohibitionists had developed a vote of some 20,000, which

was more than the normal difference between the two parties. So the Republicans had drawn a local (county) high-license bill, which, with the Prohibitionists, the clergy, and the "good people" helping, they had passed through the Legislature of 1888. The effect of this legislation was startling. It brought about "bad government" in New Jersey.

"Good" laws commonly make for "bad" government, and good people wonder why. They may see now. Before this local-option law was passed the liquor interest had not been very active in politics; and under the law, the people beat them county by county; prohibition was voted for all over the State. This satisfied the good people, and they retired from politics. But, just as governmental grants of privilege force good men into politics to protect their "business," so governmental prohibitions drive vicious business men into politics to save their business. The prohibition law aroused the liquor interest; as the people withdrew, the saloons entered the game; and while the good people were rejoicing over the "good government" victories in the counties, the "bad men" went out for representative government in the State. And they went about it in the right way. They wanted a party to represent them. Since the Republicans represented the "good" people, the "bad people" joined the Democrats. Leon Abbett was the Democratic leader. They made him attorney for their Liquor Dealers' Association. He wanted to be Governor again. He wanted the office, as before, only to get a United States Senatorship, but they didn't inquire into his motives. He represented them, and that was all they asked; they backed

him and his party. They elected a Legislature, which represented them; the party was timid lest the people should resent out-and-out repeal of the prohibition law, so the high-license clause was retained; but local option was "fixed."

Now see how the good citizens played into the hands of the bad. Even after this victory the liquor interest did not go home. It stayed in politics. Leon Abbett had uses for it, and in 1889 it helped elect him Governor again, with a Legislature solidly Democratic for the first time in ten years. He was a changed man. He was a boss. Having learned (I understand that he said once privately) that by representing the people he could not rise in a government that represented railroad and business corruption, he had accepted the support of "criminal corruption." The cost to Jersey was terrible. With the liquor interest had come all that low following of vice that the saloons collect. These interests, by "work" and by fraud at the polls, practically controlled the Legislature, which they turned over to the Governor. They delivered into his hands all power: appointments, public institutions, the liquor licensing boards, the State militia, a State police, local and county offices and boards; those legislators even resigned legislation to him, passing his bills and adjourning with them in his hands to sign or veto, as he would. In return, Governor Abbett had to let the government represent crime and vice, and it did. That was the beginning of the race-track scandals of Jersey. There was a race-track at Monmouth, others sprang up, one at Gloucester for Philadelphia, another at Guttenberg for New York, and when the railroads (and the Western Union) saw that the

betting vice made traffic, they encouraged the location of tracks in small towns along their lines. With the "sport" came gamblers, prostitution, and all that goes with racing and liquor politics. Jersey became a veritable Tenderloin State.

No matter, Leon Abbett, hardened now, sullen and determined, had a "vested interest" with him. He was pretty sure of election to the United States Senate, but to make doubly sure he reached for another, a more respectable, interest, the railroads. A group of these roads, the Jersey Central, the Lehigh and Susquehanna, the Philadelphia and Reading (and, it was believed, the Delaware and Hudson, and the Delaware, Lackawanna and Western), planned a combination to control the output and price of coal. Seeing that vice, not the Pennsylvania Railroad, was ruling the State, they made overtures to Abbett and his party. And since the Republicans had the Pennsylvania behind them, the Democrats were glad of the chance to get the other roads into their party. The "Coal Combine" bill was passed. The Pennsylvania opposed it, and the newspapers all over the country fought the new monopoly; but Abbett pushed it, and the bill, made a party measure, was put through.

And all this also to get a United States Senatorship! Did Leon Abbett get it? He did not. Then why not? Because he flinched; when it came to the final test he represented, not the System, not even his System, but the State of New Jersey. When that Legislature adjourned, leaving in his hands that "Coal Combine" bill for which he had himself used the whip, public opinion, both in the

nation and in the State, continued to clamor against it, and Leon Abbett, the demagogue, hearkened, hesitated, and—he vetoed the bill. This embittered the railroads and the politicians and legislators “in on the deal.” They wanted to get even. He had, likewise after adjournment, refused to sign a race-track bill which aroused public opposition. This had embittered the vice interests, and they also wanted to get even. He was too powerful to fight while he was Governor, and the Coal Combine which tried it and undertook to complete the deal without his sanction, was held up by his attorney general, taken into court, and, after a famous fight, was forced by a famous decision of Chancellor McGill to disband—till times were better.

But when Abbett, no longer Governor, came into the caucus of his party in 1893 to ask for his reward, everybody “got even.” All “interests” were against him. Some of them pretended to be for him, and there was money back of him; votes were bought for him; yes, that Senatorship was bought as for him. But the money was not Abbett’s own, and the men to whom it belonged, the men who owned the votes, cast them for James Smith, Jr., Abbett’s right-hand man, and one of the lieutenants who managed his campaign for the Senatorship. As for Leon Abbett, he soon died.

I often hear American citizens say that the national government is “all right—if only the cities could be governed as well.” How can the national government be good? The System is all one thing. In every State where I have been I have noticed that the men who have tried to serve the State were punished. In New Jersey the pursuit

of poor old Governor Ludlow is an oft-told tale; the failure of Leon Abbett is a ringing moral lesson to Jersey politicians. Both were made Supreme Court judges, but late, after their lives had been embittered and their failures plain. And as the System punishes, so does it reward. We have been in at the birth of several United States Senators, so we can begin, if we are honest, to realize that that august chamber is the earthly heaven of traitors. But Senatorships are not the only federal reward of—the System. We have noted that Hobart became a Vice-President, Miles Ross a Congressman; but let me give you just as I got it, for once, one of the impressions I am getting all over the country. Several times in the course of this story I have mentioned, without comment or explanation, a certain “Gardner of Atlantic.” I did not do this to mystify; that was the way I heard of the man. Time and time again, after listening to some Jerseyman’s tale of a bad bill introduced, a good bill held up, a railroad deal put through, or an effort of protesting citizens balked, I would ask, “Who did it?” Time and time again the answer was, “Gardner of Atlantic.” The name meant nothing to me; I made no note of it and inquired no further, till one day in exasperation I exclaimed: “Who is this Gardner of Atlantic? And where is he now?”

My Jerseyman was astonished. “Gardner of Atlantic!” he said. “Haven’t you come across him before? Why, that is John J. Gardner, the Congressman!”

“Oh,” I said, and, since I have in mind to study some day the National government, I put Gardner down in my long list of “gone to the House.” But while I was writing

these pages (1905) the vote on the "President's" rate bill was taken, and I looked for Gardner. That vote was 326 ayes, 17 noes. Among the 17 was "Gardner (Rep. N. J.)."

Some of my critics have found fault with me, mildly, for seeking only the evil in men; others, much more indignantly, have said I looked too eagerly for the good and made heroes of men who palpably have human weaknesses. My criterion and that of my critics are not the same, evidently. I don't know what theirs is, but mine is simple. I ask of a representative, What does he represent? "Gardner of Atlantic" may be an honest man; he certainly has the courage of his conviction; but he is not "Rep. N. J."; he is P. R. R. I prefer Leon Abbett, defeated, to all the Gardners in Congress, because in his practical, compromising crooked Jersey way, he did sometimes represent New Jersey, and because, though dead and buried, he is still the livest Democrat in that State to-day. For the consequences of his career have lived on; much of both the good and the bad in Jersey can be traced to him, as we shall see, and, as we shall also see, the effects of his influence have spread all over the United States. Leon Abbett adopted the charter-giving policy of New Jersey. That hurts us, but Abbett didn't care about us. He was for Jersey. That was his great limitation. When the national press was imploring him to veto the "coal combine" bill, lest it put up the price of coal for the whole country, Abbett snapped his fingers at that argument. He vetoed the bill, as he said, because while he had made a bargain with the combine to except New Jersey and ensure her cheap coal, there was no way to make that exception

binding. So we, the whole people, owe Abbett no tears. He was for Jersey. He was Jersey typified.

The live Jerseymen don't care either how much the Jersey trusts hurt us. They take the same view of them that Abbett did; they are good for Jersey, and they bless him for them. "But," they told me, a hundred of them, "Abbett gave us bad government." He did. He left his party machine so reorganized and so strong that in the next Democratic administration (that of a Governor named Werts), the Legislature represented municipal and county rings and the race-tracks. William J. Thompson, owner of the Gloucester track, and better known as the "Duke of Gloucester," was an assemblyman from Camden; Carroll of Hudson was a bookmaker at the Guttenberg track; there were many more such men, but the character of that body may be summed up in this fact: the Speaker of the House was Thomas Flynn, the starter of Thompson's races. The race tracks could have any legislation they wanted, but they didn't want much. Abbett's veto of the bills legalizing all kinds of racing anywhere had proved of advantage. The governments of racing counties represented the tracks, and neither the police nor the local magistrates would enforce the law, which served, therefore, only to keep out more tracks and maintain the vice monopoly. They passed such as they desired, and for the rest they looted the State. These creatures stole the very chairs they sat on. This is "bad government." This is what your average American citizen means by "bad government," and it is disgusting. But it isn't dangerous. It is no more dangerous in a State than in a city, and as I

have often remarked before, even Tammany in New York has seen that theft and police blackmail are bad politics.

The government in New Jersey was too bad. It was too bad to last. It became obvious, noisy, a stench, so that even "good citizens" could see and hear and smell it. They protested for a while, which is foolish; the grafters don't mind protests. By and by, when the race-track legislators fell to quarreling over the spoils and passed laws against one another, the scandal was such that the citizens were driven to the polls. They voted in 1893 against the racing rings, and their votes settled the criminal grafters.

But what did they vote for? What could they vote for? The people of New Jersey had no party that represented them. They had to vote for the Republicans. This party represents the railroads and big graft, but when its leaders saw the people coming they nominated a "good man," John W. Griggs, for Governor, on a reform platform, and they "exposed" the Democratic (petty) larceny by way of text for campaign speeches. Thus they "caught the honest vote," and thus, at last, the State of New Jersey was turned over to the Republican party, which delivered it up to the Pennsylvania Railroad. The conquest of New Jersey was complete. Governor Griggs was appointed Attorney General in the President's Cabinet. General Sewell perfected his organization, and sent himself back to the United States Senate. He treated the other railroads "right";—the coal combine is a fact. The Pennsylvania was fair to all "interests." True, the race tracks were driven out, but the liquor men are quiet, prosperous,

and contented. Even the "Democratic Party" is satisfied. There is graft, of course, plenty of it; for the most part, however, the corruption is orderly, respectable, dignified "business." That is bad, but it is not "bad government." The Pennsylvania rules and the government represents "the" road, the other roads, and some other interests; but the syndicate that runs the State for the foreign corporations gives Jerseymen good government, or, at least, what they tell me is "pretty good government."

"Oh," they say, "there are some passing evils in the counties, but in the State we have pretty good government."

"Good government" is the falsest beacon in American politics. I have seen the cities sail by it, and I know. New Jersey has sailed by it since 1895, and I think I can show in the next article that the "passing evils" the Jerseymen speak of in their counties are the vestiges of the wreck of their own citizenship; and that the "good" they point to with pride in their State is their share of the plunder of our business pirates who buy, cheap, her letters of marque, to prey not only on American business, but on American character, and, when caught at their crimes, sail for her ports to purchase, cheap, legislative immunity from our laws. Jersey shows, plainer than any other State or city, how we are all betraying one another, and that what we Americans lack is what the poor Russians are asking their Czar for—representative government; not good government, not reforms, not privileges, not advantages over one another, but fair play all around, and, before the law, equality.

NEW JERSEY: A TRAITOR STATE

PART II.—THE BETRAYAL: SHOWING HOW THIS BOUGHT STATE SOLD OUT THE UNITED STATES TO THE TRUSTS FOR MONEY

(May, 1905)

A SCHEME “to make New Jersey a Mecca for Corporations” was proposed in these terms to the Governor of that State, in the summer of 1890, by a corporation lawyer of New York. There is no doubt about the man: he was James B. Dill, now known as the author of “Dill on Corporations.” There is no doubt about the year, and, as for the season, “it must have been in the summer time, because the Governor sat in his shirt sleeves.” The only question is whether this was the beginning. It was—of the business. Jersey’s liberality to corporations is as old as Jersey, and Mr. Dill was not the first New York lawyer to go over there with corporation schemes. Alexander Hamilton (1800) headed a long procession. But Mr. Dill did not know all this. He lived in Jersey, but he was a commuter. He thought he was proposing something new to Jersey, and he was, in a way; his proposition was to put the State regularly into the business of incorporating business companies; it was not merely to let business sneak over there for charters now and then, but to open up the State as a sort of wholesale charter factory and advertise the industry in a business-like way.

It was not a bad scheme, not as he conceived it. Mr. Dill was a young man. His practice was small; large enough to open his eyes to the troubles of corporations, small enough to leave him time to go far afield in his reading. He had been following a series of articles on the rise of business companies in England, and the advantages of the joint-stock arrangement over the old copartnership came to him like a discovery. Mr. Dill believed that what had reached the dimensions of a movement, almost of a fashion, in England, was under way in the United States. Why not promote it? Public opinion here was against "monopolies" and "trusts," but Mr. Dill was no theorist. He was a young American lawyer out for business, and he realized that the lawyer who had a hand in drafting laws favoring corporations could hardly fail to become an authority on corporation law—with a large practice. Just about that time many of our Legislatures were passing laws to discourage the growth of corporations. But what did that matter? English legislation encouraged the business. Mr. Dill was a Connecticut Yankee, astute, jolly, energetic, and he set out with his scheme to pass English laws for American corporations and to make himself "Dill on Corporations."

How? By writing articles, making speeches, and appealing to public opinion? No. Mr. Dill was a practical man. He went to the bosses. He put his scheme in shape and offered it first to the rulers of the State of New York. That was where his practice was, and that was where business centered. The New York corporation laws were bad—bad, I mean, for corporations; they were antiquated,

complicated, and rather strict. Moreover, operations under them were subject to all sorts of "political grafting." Now, lawyers and business men are not unreasonable about paying for what they want, but they like "fixed charges," and New York had, and has, a most annoying system of variable taxes and miscellaneous feeing. From court stenographers and departmental clerks all along the line, through referees and assessors, up to legislators and bosses, it is tip, tip, tip—all the time. Mr. Thomas C. Platt, when he was boss, simplified legislative business, but progress elsewhere always had been like a trip abroad; you needed a guide to tell you where to tip and when you were through. For example, a lawyer, lacking experience, was changing the name of a corporation. This was a simple matter, and he thought he had "seen" that all arrangements were made. There was delay, he waited, then inquired. The official said "it was all right, and everything would be ready in a few months." A few months! The lawyer drew the fellow aside. "I want those papers to-morrow morning," he said; "how much will that cost?" That cost only about forty dollars, but think of the bother!

When young Mr. Dill laid his great scheme before his bosses and mine he explained how all this graft would be wiped out. Taxes would be made certain, charges by the State would be fixed, and stated fees would go to named officials. It was beautiful, but it left the bosses cold. They could see the advantage to the State and to business, but they could not see, first, why they should deprive their office-holders of all the good old graft, nor, second, where they,

the bosses, "came in." New York has regretted this blindness since and has begun to adopt the scheme, but only recently and—late. New Jersey got it then.

Jersey at that time was opening wide to everything bad. Leon Abbett was Governor. He was an ambitious man. He long had wanted to go to the United States Senate, and, to get there, he had, during his first term as Governor, listened to a popular demand for a tax on the Pennsylvania and other railroads which ruled the State. The railroads were exempt, by the terms of their charters, from taxation, but when they pleaded the inviolability of those ancient charters as sacred contracts, this man, this politician, said: "All right, then, we'll tax these charters. If they are a contract, and if that contract is irrevocable, it is a pretty valuable piece of property itself; we'll tax that." Leon Abbett was an awfully bad man. The railroads beat him when he ran for the Senate at the close of his first term, but he was so unscrupulous that, convinced of the impossibility of reaching the Senate by serving the people of his State, he set about building him a system. He organized the Democratic party into a grafting machine. He accepted the support of the liquor interests, of the race tracks, and even of some of the railroads. He had himself elected Governor, and now, in 1890, the first year of his second term, he was making of Jersey a Tenderloin of interstate vice.

This, then, was the situation when our young lawyer, rebuffed in New York, looked around for some place to go to do what he was not allowed to do at home. He did not know Abbett; he did not understand the conditions in

Jersey. He only lived there. Mr. Dill went to Jersey with his scheme, as Alexander Hamilton did with his, simply because the State was convenient. And Jersey received him, as she receives all, because for a hundred years she has trafficked on her convenience. The State gave the young successor of Hamilton a welcome commensurate with the price he had to offer, and Mr. Dill had a good price to offer. His experience with the New York grafters had matured the young man. He had come to realize that if he hoped to interest men in his scheme he must be able to show them where they "came in." About that time he heard how the Secretary of State of West Virginia was in town, at the Fifth Avenue Hotel, where, with the great seal of his State by his side, he was displaying the liberality of his laws and selling charters—for fees. That was the idea. Mr. Dill seized upon it, and when he went to Jersey (in all fairness to the New York bosses this should be noted well) his scheme was immensely improved. It provided now for all; that is to say, for all, excepting only the United States.

But in this exception lay Point One of the scheme: With the United States as a nation of men and women up in arms against trusts, there was need of a State where public opinion was conservative. With "demagogic" legislators in Congress, and in most of the States, passing laws expressive of the public will, there was a demand for a State Legislature that would enact the will of the corporations. With business men everywhere forming pools, and trusts, and gentlemen's agreements to break the law or to get around it, and failing because, though there were

trustees there was no trust, and while there were agreements, there were so few gentlemen—with all these difficulties abounding in the Union, there was money in it for the State that would throw down her sister States and give a license to business to do business just as business pleased; lawfully, widely, with a Legislature to defeat the general public will, and courts to compel private, corporate good faith.

Now, this is my statement of the case, not Jersey's, nor Wall Street's, nor Mr. Dill's. They hold that corporations are inevitable and good, and I don't contradict them. Mr. Dill says that he had in mind many small companies, not the few big trusts; he did not foresee all of the future; and I believe him, for he is openly against some of the recent developments of Jersey's corporation legislation. All that is maintained here is that the men concerned at that time in the adoption of the Dill scheme "didn't care a whoop" what might result, and what the other States might think, or feel, or wish. They were out for themselves and Jersey. Some of them told me so. But let us follow the facts.

When Mr. Dill, contemplating his descent upon Jersey, inquired who the bosses were over there, he was referred to Governor Abbett. Mr. Dill didn't know enough, then, to be surprised that the head of a State and the Governor thereof should be one and the same man. He was much more taken aback to be directed from the capitol at Trenton to the Governor's law office in New York, but he went there; and there, to the Governor "in his shirt sleeves," he showed how Jersey, by granting licenses to business to

do what other States were trying to forbid, might become the Mecca of corporations and make an enormous revenue. Governor Abbett was interested. Leon Abbett was interested in anything that would increase the revenue of his State. That was the backbone of his original policy; that was why he had taxed the railroads and, by the way, the franchises of corporations also. And, as for the cost to the other States, Abbett was not the man to scruple at that. I tried to bring out in the first Jersey article how Abbett, with all his faults, rose head and shoulders above all other Jersey politicians in this, that he did, in his crooked, unscrupulous, Jersey way, sometimes represent his State. And in a nation where the average citizen is out for his own pocket all the time; where the average reformer is for his county or his city; where the noblest cry is for *municipal* reform; where good citizenship implies a willingness to let the States go to the deuce, if only local government is not too bad—in contrast with this sort of parochial patriotism, the appearance of a man who has a sense of the State, of a whole State, city and county and country, too, is a phenomenon. Leon Abbett was a phenomenon. But, rare as it is in these days, the State-sense is not enough; and Leon Abbett proves that. He was for Jersey; he was Jersey personified. Out of loyalty to Jersey, the selfish, her best man betrayed the United States—to help him get into the United States Senate.

Governor Abbett then, thinking only of Jersey and the Senate, hearkened to the voice of the young corporation lawyer of New York, who was thinking of the corporations and his practice, and there was no one there to think of the

rest of us. Abbett saw that the scheme was good, but what more could Jersey do for the corporations? They already were running to Jersey for charters, and they were already getting all that they asked for. Then Mr. Dill displayed Point Two of his scheme; and for those States whose statesmen have asked me covetously how Jersey "got such a lead in this corporation business," let me say that this is the feature of the Jersey policy to adopt, if they want to out-Jersey Jersey in the betrayal of the rest of us to the trusts.

Mr. Dill explained to Governor Abbett that, while his State had liberal laws, other States, like Delaware and West Virginia, were liberalizing their laws, and that while the advantages of Jersey were known to the great captains of industry, the little captains did not know about them. Tobacco was there, and Standard Oil, the Chicago Stock Yards and Cordage, and Thurber-Whyland, and American Gas and Sugar; but where were the little fellows? What was wanted was a State that would not only open up its laws, but would advertise itself; that State would get the business which would go forth with business push, advertising and drumming up trade among the businesses that never had heard of West Virginia, Delaware, and New Jersey as dealers in lawful license. Now a State, as a State, could not afford, even if its officials, like the Secretary of State of West Virginia, had the loyal energy to take up the work, to go out on the road showing its goods and advertising itself as the easiest, safest, and best shop for limited-liability charters. The thing to do, therefore, was to make it worth while for a private company, incor-

porated under Jersey laws, to undertake this part of the business. So Mr. Dill proposed to form a company which, for small but numerous fees, should advertise Jersey as a charter-granting State, explain her laws, vouch for her courts, attend to the incorporation of commercial companies, and look out for them at home while they were off doing business in the other States.

The Governor of New Jersey was convinced, but while he was boss of the State and the actual head of the system, he was not "the whole thing." He told Mr. Dill that he must see the Secretary of State, Henry C. Kelsey, who was one of the old Democratic State House Ring; nothing could be done without that interest. Then he must see Allan L. McDermott, the Abbett lieutenant, who was clerk of the Court of Chancery and chairman of the Democratic State Committee. McDermott handled the Legislature, and nothing could be done without legislation, of course. Then he must see some Republican of influence, say, well, say United States District Attorney Henry S. White; for nothing could be done quietly without the minority interest. And last, but not least, Mr. Dill must see some representative of the Pennsylvania Railroad; the road, though not in control, held South Jersey and owned legislators. "You can't do without the Pennsylvania." So Charles B. Thurston, secretary, in Jersey City, of Alexander Hamilton's old Associates of the Jersey Company, which the Pennsylvania controlled, with all the shore front and exclusive ferry privileges, was added to Mr. Dill's visiting list.

The scheme provided for all these men and their inter-

ests. To Mr. Kelsey was shown how the Secretary of State's office would get fees, fixed, regular, and small, but many and, in the aggregate, large. Also Mr. Kelsey was to come into the company. To Mr. McDermott was shown how the clerk of the Court of Chancery could double his fees and, besides, Mr. McDermott was to have an interest in the company. So, also, with Mr. White. To Mr. Thurston it was shown that the business, by increasing the income of the State and of her officials, would benefit the Pennsylvania and all other railroads. In the first place, the legitimate expenses of the State were growing. When they became a burden to the taxpayer again there would be another howl to tax the railroads. The railroads had just had an experience of that. It probably would not be the last. In the second place, the politicians would be asking for more and more money for political expenses, and, unless the State provided graft, the roads would have to meet that demand. The roads were there; they couldn't get away. They would have to go down into their own pocket, unless they could go down into somebody else's pocket. Mr. Dill's scheme provided somebody else's pocket; it would bring all the corporations of the United States into Jersey to pay her expenses, legitimate and political, and save the railroads from that horrid cry, "equal taxation." This line of reasoning won the Pennsylvania, and as for Mr. Thurston, who presented it to his people in Philadelphia, Mr. Thurston himself was to be taken into the company.

Thus was formed the Corporation Trust Company of New Jersey, which in its circulars announced that "we

have a Board of Directors which includes Henry C. Kelsey, Secretary of State; Charles B. Thurston, of the Pennsylvania Railroad; Allan L. McDermott," etc., etc. Governor Abbett took stock in the company, but, as someone remarked, pointedly, "Abbett paid for his stock, which is more than can be said of some of the others"; and his name was not used. The official, inside character of the company was sufficiently indicated by the other names, and hints like this: "Any forms issued by the Secretary of State can be obtained from us without charge"; or this: "Our *location* (sic) which places us in close touch with the State Department, having charge . . . will be of special benefit to those for whom we may act."

Lest we be unfair, let us proceed now very deliberately. This was a graft. This company was organized to graft upon the incorporating function of the State, and the State officials were in on it. But Jersey is a business man's State; business men and their lawyers have ruled it always, and the laws they have made permit a business man to hold office and engage in private business, almost any office and almost any business. An Attorney General may take a retainer from a railroad; while I was writing these lines the present Attorney General, R. M. McCarter, was appearing in court for the Lackawanna Railroad; and so with prosecutors of the pleas (District Attorneys); they frequently are of counsel for the public service corporations *against* whom they have to appear. In other States, as in New York and Pennsylvania, for example, officials in the public contracting business let their friends or their wives appear in their private businesses. In Jersey, the Secre-

tary of State could be, as he was, an officer of the Corporation Trust Company of New Jersey.

Moreover, this company, unlike political-business companies in other States, and even in New Jersey, was organized not to rob, but to help the State; it was to make its profits by increasing the profits of the State. As things financial-political go in America, the founders of the Corporation Trust Company of New Jersey were engaging in a singularly patriotic business. True, their prosperity was to be achieved at the expense of the other States, and it might be costly to the United States. But who cares about the United States? That is too big, too great, too grand and glorious to need care. And, as for the other States, Mr. Dill himself, in his recent address at Harvard, said that "the spirit of the charter-granting States is war, interstate war."

Again, we must not charge up to this company all the peculiarities of Jersey corporation laws. That would be not only unjust, but ridiculous. The story of those laws was told me by leaders of the Jersey bar without any mention of Dill or his company. The Jersey policy was a natural growth out of the character of the government and people of the State, as influenced by her neighbors, New York and Philadelphia. From the beginning of the last century, when Alexander Hamilton went over there and drew his two famous charters, for the Associates of the Jersey Company, already mentioned, and for the Society for the Encouragement of Useful Manufactures which preëmpted the water power of the Passaic River where it falls near what is now the city of Paterson—from

that time on Jersey had been a resort for corporation schemes. She was a business man's government by business men, with lawyers and politicians for tools or agents, and the traffic in her special charters went on till in 1875 amendments to the constitution forbade special legislation. After that, when you wanted a special law you procured the passage of a general law, but the foreign railroads and the jealous Jerseymen were so rapacious that in a few years the Jersey Legislature had enacted for special purposes enough general corporation laws to permit almost anything—in the way of business. Jersey lawyers go frequently to New York, and in the 'Eighties, when the anti-monopoly agitation arose, New York lawyers and national captains of industry, worried by the law elsewhere, heard of Jersey and went there in such great numbers that, by 1891, a New York newspaper complained that "in the last two years 1,626 (national) corporations with an aggregate capital of over \$600,000,000 have been organized under the New Jersey laws."

So, when, in 1890, Governor Abbett and Messrs. Dill, Thurston, McDermott, and their friends sat down together in New York City to perfect the Dill scheme, they were turning a wild growth into a cultivated plant; what had been a natural, subconscious functioning of the State, they raised up into an intelligent, orderly, definite policy. The business was coming of itself to Jersey; all that was necessary was to nurse it along and get possession of it for the State officials in the Corporation Trust Company of New Jersey. This last proved no easy task. At that time the national corporations with Jersey charters were

what a New York judge called "tramps"; they had no domicile, no address in the State whence they were launched. They had to hold certain meetings in Jersey, however, so they used to sail now and then by ferry to Jersey City, or Hoboken, where they took rooms for an hour or two in some hotel. Taylor's Hotel, Jersey City, got most of this business. The Corporation Trust Company opened offices nearby. But (so conservative is capital) Sugar, Tobacco, and the others were slow to cross the street. Some of these "hotels" were vice resorts at night, but the trusts didn't care; they continued to use them for financial assignments by day. "We offered them a fine 'financial Raines law hotel,'" said one of my informants, "with bona fide, lawful sandwiches, but they stuck to their side-doors and the stock, wooden 'meals.'" It was not till the Corporation Trust Company passed laws requiring corporations to have "an office," kept open the year round, with books and an agent, and to hang out a sign, that the corporations were driven out of the hotels. And then the Corporation Trust Company and its branches did not get all the business. The men interested were so careful lest they frighten the corporations away, that, to-day, under the law, almost anything is "an office," and almost every bank, trust company, and lawyer in the State displays a tablet with the names on it of some corporations doing business out of the State. Most of this trade hangs around the ferries, however, and in Jersey City there is such a clustering of New York business at the Exchange Place landing that this place is called West Wall Street, and the Corporation Trust Company, which

has now two or three rooms in a high building on the site of Taylor's Hotel, displays the "signs" of some 1,500 companies—1,500 of the biggest corporations in the world, whose "principal office" is here.

Before legislating for themselves, however, the Corporation Trust group legislated for the State and for the corporations; and the propaganda began at the same time, and very interestingly. Though the first bills were in the direction of sound business, they were passed secretly. The corporation tax had been fixed by Governor Abbett in his first term, and it was low and regular—one-tenth of one per cent. on the capital stock. Little had to be done to ensure an orderly, simple method of incorporation without any possibility of blackmail, but that little was done. Fees were stated; to be sure they were properly distributed among the inside officials, but the system was to be above board.

Thus Dill's idea of giving Jersey an honest advantage over New York and other grafting States was carried out, secretly. Why secretly? Other bills put through were in the interest of corporations, but even these were for all corporations; they were not for some one or two special clients. They were for Jersey, to further the policy that was to enrich her. Yet, I was told: "The legislators did not know what the bills were for. All they knew was that each crowd got orders from its own boss, and, though some of the shrewd fellows remarked that all parties were for these measures, it was assumed that this was some private graft of the leaders; so they voted like blind pigs." Thus, then, the great Jersey policy was in-

itiated, as a policy, by the corrupt Jersey Legislature, in cynical ignorance!

"But why were you so quiet about it?" I asked. "You wanted advertisement, and here was something done for Jersey; why not let Jerseymen know?"

"We didn't want Jersey to know till we had had time to prove that the policy was paying the State. Then, when the people felt the effect in their taxes, we knew there would be no kick from Jersey."

The other States "kicked," however, and promptly. I have quoted from a New York newspaper of 1891. Other papers took up the discussion, and before long Jersey's liberality to the corporations and her rush of business in charters was the talk from Maine to California. I remember writing myself some newspaper articles on the subject, and you, who read these lines, you may have taken your part in the discussion, too. But here is something neither of us knew at the time: that discussion was inspired in the interest of Jersey. The man who "fed the first facts" to the New York papers told me it was then and thus that the advertisement of Jersey's wideopenness to business was begun. Our anti-Jersey anti-trust facts, our figures, and some of our thoughts were passed out to us by men who wanted corporations to come to Jersey for their charters. The System is a wonderful thing; it votes us, it buys and it sells us, and—it does a lot of our thinking for us. It turns our abuse to its uses. Our denunciation of a boss helps to make him a boss, by telling bribers where to go to buy favors. As we shall see, the Jersey drummers for Jersey's trust business have used in their propaganda

every offensive act of hers, but, in the beginning, our anti-trust passions were aroused against Jersey for the purpose of starting her on the road to become—what she is.

Well, and what is she? I have called her a traitor; let's see if that is too strong a term. Dr. Ernst von Halle, the German economist, says: "By the end of 1894 the Federal Government, twenty-two States, and one Territory, had enacted anti-trust laws." He gives a review of this legislation, State by State, from 1887 to 1894, concluding with the observation that "the United States Act was passed in 1891." We need not go into details. This is the point: we, the people of the United States, were anti-trust. We may have been foolish, we may have been wrong; but in the period from 1887 to 1894 our thinkers were proposing, our legislators were legislating, and our courts were deciding to check the growth of great combinations of capital which threatened competition in trade.

That was the time when New Jersey said to the trusts: "Come to us. We'll let you do anything. You needn't stay here. Pay us for them, and we'll give you letters of marque to sail out into the other States and do business as you please. The other States have made your business a crime; we'll license you to break their laws. We'll sell out the whole United States to you, and cheap; and our courts are 'safe' and our Legislature is 'liberal,' and our location is convenient."

Do you think this is putting it too baldly? Listen, then, to a Jerseyman, who, from the politician's standpoint, is thoroughly versed in the Jersey policy from its formal inception. I asked him to sum up for me the spirit of that

policy. "When it was being talked over," I said; "when you were considering how corporate legislation would profit you, your friends, your State, just what was your attitude toward the other States and the United States?" "To hell with the rest; what does Jersey care for other States? That was the attitude. Their loss was our gain. As for the trusts, we let them play in everybody's backyard—except ours. And, so far as possible, we fixed it so they couldn't be kicked out." It was in this spirit that, in 1894, when the Great White Spirit Company wanted to run a distillery in Massachusetts, and couldn't do it as a Massachusetts company, because Massachusetts law forbade the organization of domestic companies for distilling purposes, New Jersey provided the charter. Massachusetts had not thought to provide against "foreign corporations," so New Jersey set that distillery right down on the banks of the Charles River, and there it stayed until insolvency closed it.

This is not war. Mr. Dill's word is too large. This is business. Massachusetts, with her strict law, created a demand for a loose law, and Jersey supplied the demand, cleverly, and for money. Jersey was smart. So we of the United States with our anti-trust laws developed a market for trust laws, and Jersey made them to order. That's business. Jersey sold us out, and that is treason. But what's the difference? There was money in it. Let's follow the growth of a few features of her law, and see how she did it.

The great companies which we know as trusts are so called because, at first, they were combinations of allied

businesses whose management was put into the hands of trustees or pools. State and federal laws forbade such trusts, and business character (or, perhaps, it was human nature), was against them. The several companies broke faith; they gave rates or cut prices, so that between the law and the mutual distrust of trustees, pooling-trusts broke up. Thus, for example, the Standard Oil Company was dissolved by law, and all railroad pools of those days were short-lived. What was needed, therefore, to beat the law and human nature was a perfect, lawful combination. So the corporation lawyers who were steering Jersey legislation devised the "holding company," with power to own absolutely all its subsidiary companies. Starting from a decision of the Jersey court in 1888, that a corporation had no implied power to purchase and hold the shares of another, an act was passed in the next year authorizing directors to purchase the stock of any company "manufacturing and producing materials necessary to its business." This was not enough, and in the course of the next few years the clause was made to read, "manufacturing and producing materials and *property* necessary," etc. In 1893 this was simplified to let directors "buy stocks of any other company which the directors might deem necessary." And in 1896, when the corporation laws were revised and codified under a Republican administration, this section was broadened like this: "Any corporation may purchase, hold, sell, assign, transfer, mortgage, pledge, or otherwise dispose of the shares . . . or any bonds, securities, or evidences of indebtedness created by any other corporation or corporations of this or any other

State, and while owner of such stock, may exercise all the rights, powers, and privileges of ownership, including the right to vote thereon." There we have the holding company, which makes the trust lawful and strong.

Again, the life of charters and the purposes of corporations were limited. The Jersey law specified the things for which a company might be incorporated, and after 1891 the list grew year by year till, in 1896, charters were made perpetual, and instead of a list of permissions, the Revision Act said any "three or more persons may become a corporation for any lawful purpose or purposes whatever," and then followed a list of exceptions. And this list of exceptions was drawn only to protect from the trusts Jersey and Jersey interests—banks, insurance, railroad, telegraph, and telephone companies. As Frank P. McDermott says in his "Pointers on New Jersey Corporations," "Companies for constructing and maintaining railroad, telegraph, and telephone lines *outside* the State are not within the exceptions."

These and many other such laws were all in the direction of permitting trusts to exist and to stop competition; *i. e.*, to become monopolies. But the captains of industry had other needs. They wanted not only to do business; they wanted also to exploit and finance it, and make money out of the operation. Jersey was willing. The next string of legislation was to enable promoters to buy up competing companies without paying money for them. They were permitted to pay with shares in the trust. In 1891 an act was passed permitting directors to issue additional stock, and another authorizing them to "buy property and pay

stock therefor." In 1893, stock issued for property—that is to say, paid out to the owners of the purchased company—might be exempted from calls for cash, but it had to be marked. Later this last requirement which embarrassed promoters who paid themselves in stock, was abolished. In the famous revision of 1896, all powers necessary to water and pour forth stock were rounded up in the famous dummy-director clause, which declared that "the judgment of directors as to the value of property purchased shall be conclusive." The meaning of this law may be brought out in a story Edwin Lefevre tells. When one of the great steel combinations was forming, a group of financiers, who had been buying companies in one city, got drunk on the train that was taking them home. They talked steel, and somebody suggested buying out a certain mill at a town on the way. They left the train. It was late, but they went to the mill-man's house in a hack and called him to the window. He protested in his night shirt that he did not want to sell.

"How much is your plant worth?" they demanded.

"Two hundred thousand," he said, "but it is not for sale."

"We'll give four hundred thousand."

"Not for sale."

"Five hundred," said the drunken financiers. "Six."

To make a long story short, the man finally came down to the door, went with them to a club, and sold his mill for several times what it was worth. The financiers sold it to their trust for twice what it cost them in watered stock, and then they sold their trust out to the United States

Steel Company at so high a price that even Morgan quailed. But Morgan took it, and, as we all know, he sold it to us. All this was possible under the Jersey law permitting trust directors to put their own value on purchased companies.

One more of McDermott's "pointers on Jersey corporations," and we may proceed with our story. Our captains of industry wanted not only to form trusts without the law and to finance them without money; they wanted to control them without owning the majority stock. Jersey let them. In 1891 she passed a law permitting stockholders to vote by proxy; the leaders thus could corner the votes. Another law allowed stockholders to define a quorum. Another gave directors power to decide the amount of dividends. And finally, in the '96 Revision, stockholders could be classified, preferred and common, and unequal power given to them. Under this law you and I could organize a company with property worth, say, a million. We could issue bonds for that amount; bonds have no vote. If we then put out one million of preferred stock with no vote, and a million of common stock with no value but a vote, we could sell all the stock that the market would take and yet control the property. In other words, we could eat our cake and have it, too—which is one secret of high finance.

The famous revision of 1896, referred to above as the culmination of each line of trust legislation, was a Republican act. The Democrats, the so-called anti-trust Democratic party, initiated the great Jersey policy which gave us the trusts. But that party gave Jersey bad gov-

ernment; the government that sold us out, sold out Jersey as well. Governor Abbett, who, to attain a seat in the United States Senate, let his party represent trusts, railroads, saloons, race-tracks, and local public service "crowds," disappointed the rapacity of these interests. Ambitious as he was, and unscrupulous, this "demagogue" was afraid of public opinion, so when his term expired they beat him, and gave the seat for which he had sacrificed so much, to his lieutenant, James Smith, Jr., the boss of Essex County, and the largest contributor, in the new public service crowd, to the Democratic campaign fund. A representative of corrupt special interests at home, Smith was one of the four "Democratic" Senators who helped the Republicans hold up President Cleveland's tariff reform bill till Aldrich got the sugar schedule fixed.

Thus Smith became the boss of the Jersey Democracy, and with Abbett out, Abbett's system went wild. With a weak man for Governor and a race-track starter in the Speakership (called the startership) the race-tracks and the liquor men, the trolleys and the railroads, got all that they wanted. Legislation was for sale. Cities and towns were thrown open to loot; public property, from franchises down to cheap furniture, was stolen, and vice and crime reigned. This was the era of "bad" government to which Jersey men look back with horror. As they speak of those days, you would think that only the race-tracks, saloons, and vicious politicians were busy. Jersey men forget that it was then that the big trusts and the public service corporations put through some of their worst legislation. The stench of the vice

276 STRUGGLE FOR SELF-GOVERNMENT

graft did not repel, it attracted big business, and such national concerns as the Standard Oil rushed over there, and as for the Jersey public service people, it was in 1893 that they put through as separate, unnoticed bills a lot of legislation which together not only allowed them to merge, consolidate, and finance, but to compel unwilling combinations by threats of parallel lines; and not only to take streets, but to grab turnpikes without county consent. Jersey was made a Tenderloin of vicious finance at the time she was a Tenderloin of political graft.

But a change occurred. Jersey rose in revolt. The clergy preached; they threw open the pulpits to lawyers and merchants, and these laymen preached to churches filled with men who went forth and—voted. The Democratic party was thrown out of the Legislature in 1894 and 1895, and in 1896 John W. Griggs, the first Republican Governor Jersey had had in some thirty years, was elected to make the administration also Republican. Thus ended the Democratic government which gave to Jersey bad government, and to the United States—the trusts.

What did the Republicans give us? That was the reform party in New Jersey; what reforms did it bring about? The race-tracks were abolished; the liquor interest was—quieted; all criminal vice and crime were driven to cover. The most flagrant of the trolley laws were repealed. But the trolleys went on. They had the roads and streets; they got extensions, but noiselessly. They had their perpetual franchises and their consolidations. They got more, and they combined their consolidations. And, as for the corporation laws, which concerned you and me, they were

not repealed. They were "improved." The Revision Commission of 1896 was appointed by Governor Griggs, and it codified, amplified—it perfected in competent, Republican fashion the charter-granting business policy of Governor Abbett, the Democrat. And this was done with not only the whole country, but with New Jersey also looking on. The policy had begun to pay. In 1890 Jersey had collected only some \$292,000 from her miscellaneous corporations; under the stimulus of the corporation-trust legislation and propaganda she gathered in \$405,000; and by 1896 her revenue from this source was \$707,000. This was good; good business and "good" government.

Good government began in New Jersey in 1896—what Jerseymen call "good," and what most of us would call "good" if we lived in New Jersey. General Sewell, the veteran Republican boss, took charge. He was sent back to the United States Senate to represent us. Really he represented the Pennsylvania Railroad, but he was a broad, conservative business man, and he took care of all business interests. He rallied about him all railroads, all protected industries, all the public service groups, Democratic and Republican alike, and he was on friendly terms with the leaders of both political parties. To be sure there was corruption, but it was "good" corruption; quiet, orderly, in the interest of business. The clergy were not scandalized by it and the people heard nothing but rumors which no one could prove. The people were not represented, but the good people do not really want representative government; "good government" is their cry, and the Jerseymen who had that did not "kick."

There was still some kicking in the United States. Business was reviving, and the Jersey trusts began to flourish. These caused complaints, but most of us took the advice of the late Governor Flower, who said: "Don't kick at the trusts; get into them." One loud political protest was raised in Governor Flower's State: The Albany Legislature appointed a committee to investigate all Jersey trusts that were operating in New York, and that committee came down to New York City after the Sugar Trust. But the Sugar Trust put its books on a boat and rushed them over to Jersey, and Jersey, under the guidance of her New York corporation lawyers, drew up and rushed through the Trenton Legislature a bill to protect her own. This so-called protective act is a remarkable measure. It says: "No action or proceeding shall be maintained in any court of this State against any stockholder, officer, or director of any domestic (Jersey) corporation for the purpose of enforcing any statutory personal liability . . . *whether . . . penal or contractual, if . . . created . . . by the statutes or laws of any other State.*"

Here was a defiance to the other States. Put through in eighteen hours, with the whole country watching the "fight for the Sugar Trust's books," Jersey was not ashamed to be seen saving one trust from possibly just punishment for breaking a New York law; on the contrary, she took the occasion to announce to all trusts that she would save them all from all laws "penal or contractual," of all "other States." Her drummers, the corporation trust companies (at least two of them), sent

out to their clients, the trusts, an identical circular boasting of the act, as follows:

“May we not refer to this as an instance of the watchful care which the New Jersey Corporation Guarantee and Trust Co. (ditto the Corporation Trust Co. of N. J.) exercises over the corporations located with it when we say that this act, the importance of which cannot be overestimated, was drawn by our counsel, was introduced at 8.30 P.M. of March 29, and by 2.30 P.M. of the following day was signed by the Governor and became a law?”

The whole spirit of this “good” Jersey government was toward the indulgence of corporate business, and every step it took in that direction was advertised not only by our clamor, but by circulars sent out by her citizens to attract business to their financial Raines law hotels. I have a lot of these circulars stating the “advantages of corporations organized under the laws of New Jersey.” They say: “You are not called upon to disclose the financial standing of your business, nor to make public the details thereof.” “We (the financial hotel) attend to every detail, including, if you desire, the organization of your company, notify you of all meetings which you are required to hold and see that they are legally conducted.” Again: “It is unnecessary for you to come to New Jersey, as the matter (organization and meetings) can be completed by mail.” Again: “We have employees of this office who act as incorporators, who would sign the charter, complete the organization, and return you all the papers ready for the company to do business within three days.” But there are some exactions:—“The statute requires one director to

be a resident of this State; *whom we will furnish, if desired, without extra charge.*"

No matter how great and good trusts may be, there is something disgusting about this. But these business rulers of this "safe" and business-like State have gone lower than that. In 1898 they made Jersey a retreat for property that would escape taxes. Take the case of money. New Jersey does not (in practice) tax deposits in banks and trust companies. New York does, and she requires all foreign corporations to make sworn statements of their balances. So the ferry landings in Jersey are choked with trust companies and banks which are agents of New York companies, and some rich men have little depositories of their own. If you are rich enough to be a tax dodger, you keep an account in a Jersey "bank." You deposit in New York in favor of that bank, and draw your checks on it, but the money comes from the New York bank. This practice is advertised openly in newspapers, and Jersey's "Raines law banks" put out timely hints like this: "The Comptroller of New York has fixed the 31st day of October as the day upon which the report is to be made to him for the purpose of fixing the tax. . . . The amount of your bank-balance and the property you have in New York on that day will have a bearing on the amount of taxes you must pay." That is all; but before such days you see boys going to Jersey with bags of money and securities.

Jersey is a State in business. The business men who govern her have turned her into a great commercial concern. Does it pay?

Her main line has paid well so far. The miscellaneous corporations, which netted her \$707,000 in 1896, paid nearly a million in 1899; nearly a million and a half in 1900, more than a million and a half in 1901; in 1902, nearly two millions, and in 1903, \$2,177,297.81. Her debt was wiped out. She is famous for her schools. She has the finest roads in the country; one-third of the macadam roads in the United States are in New Jersey. But listen to her new Governor, Edward C. Stokes, summing up. He is a Pennsylvania Railroad man, so he includes the railroad tax receipts in his statement of the case. "At the close of the last fiscal year the balance in the treasury amounted to \$2,940,918.98. The ordinary receipts for the year amounted to \$4,302,370.61, of which nearly seventy-eight per cent., or \$3,351,543.69, came from railroads and business companies domiciled in our State. Of the entire income of the government, not a penny was contributed directly by the people. . . . The State is caring for the blind, the feeble-minded, and the insane, supporting our prisoners and reformatories, educating the younger generations, developing a magnificent road system, maintaining the State government and courts of justice, all of which would be a burden upon the taxpayer except for our present fiscal policy. To have raised last year, by direct taxation, the income of the State, would have imposed upon property a tax rate of nearly one-half of one per cent."

There is no doubt, then, about these profits. But good-will is the greatest asset of a Jersey corporation. Is her own good-will all right? Can she hold the business? Jersey

is worrying over this question herself. This was what Governor Stokes had in mind when he wrote the passage quoted above. He sees other States getting the business away from Jersey. "The incorporations in one State last year," he says, "show a capital of \$111,255,500; in another, \$251,971,620; in another, \$285,553,700; in New Jersey, \$313,569,620." New Jersey still leads, but, says the Governor of New Jersey, "our State is by no means attracting all the great moneyed interests seeking articles of incorporation."

What is the matter? Three things are the matter. In the first place, while Jersey was helping trusts to wipe out competition, she could not create a monopoly in such legislation. Any American State can go into that business, and some have. Jersey is suffering from competition. Her example in betrayal was promptly followed by States that are willing to give lower laws at a lower price, and if the rivalry in lax legislation goes on at the present rate, the trusts will be able to get all they want, and Jersey may have to suffer with the rest of us.

The second thing the matter is that Jersey's trusts have abused Jersey's frailty and discredited her corporation laws. Those trusts which she launched so completely armed with indulgences for every thinkable financial sin, have come sailing back, as we saw Sugar do, for further dispensations and more power. A Jersey charter is a chip off the sovereignty of the State; it is what a constitution is to a State. Under her laws you could draw a charter distributing power and rights at will. You could disfranchise a majority of the stock and let the board of

directors declare dividends, earned or unearned, or withhold them. In Jersey, you, not the Legislature, made your corporation laws, and Jersey's drummers warned promoters as follows: "You can draw your charter as broad as you please; be sure to use foresight and care." Even after all this the Jersey trusts committed crimes or wanted to, and back they came for amendments to her laws to cover them. In 1901, United States Steel asked that the law which provided for a two-thirds vote be changed to two-thirds of the stock *present*. In 1902 it was back again for a special act to permit the conversion of stock into bonds which might be sold below par. This operation, Professor William Ripley, in his "Trusts, Pools, and Corporations" says, "betrayed a disregard of the principles of sound finance and even of common honesty and fair dealing with the stockholders." In 1903, Malting, Amalgamated Copper, and other trusts appeared at Trenton for a law to remove the liabilities of directors before the courts for crimes already committed. This was putting the State regularly into the business of selling, not only indulgences, but absolution.

These are but a few instances of what has developed into a large part of Jersey's business, and, taken together with such scandals as the Shipbuilding Trust, which failed, and the Franklin Syndicate of 520-per-cent.-Miller fame, which ended in prison, and other unfortunate Jersey companies, a Jersey charter was brought to mean to many men nothing but danger. No wonder, then, that James B. Dill now advocates federal charters, and Governor Stokes, to save the business of his State, recommends a

revision of the Jersey laws "to safeguard the public," and "protect the stockholders of other States."

The third thing the matter is, perhaps, the saddest of all. The betrayer is being betrayed. It was reported in Jersey while I was there that her junior United States Senator, John F. Dryden, president of the Prudential (Life) Insurance Company of America, was in favor of President Roosevelt's recommendation that the Federal Government take over the charter-granting function of the States. Two States, Wisconsin and Massachusetts, have objected to the Prudential's methods, so Senator Dryden, being a Jerseyman and selfish, might be willing to sacrifice the interest of Jersey if the United States would let him operate in two more States than a Jersey charter can open to him. But Dryden since has introduced a bill to put insurance companies under national control, and that may satisfy him. Her Senator still may represent her. But her drummer is lost to her. The Corporation Trust Company, proving a good thing, was bought in 1902 by some New Yorkers belonging to the Equitable Life Insurance crowd, and those men have broadened the field; they do business not for New Jersey alone, but, as they advertise, in all charter-granting States. Jersey's own original partner is in business with her rivals.

Abused by her progeny, the trusts; betrayed by the agents of her treason; outdone in self-prostitution by sister States, younger and more reckless in the business, Jersey is finding that her liberal policy was too liberal. Governor Stokes says: "The day of gigantic business combinations is on the wane," and to catch the smaller

companies, he is urging legislation to "insure the faithful administration of the affairs" of business companies, to guard the "rights of the owner of a single share of stock," and "to remedy abuses." Coming so late, this sounds pathetic, and when you hear that Governor Stokes thinks that, at best, the business is good for only a few years more, you will see that there is something desperate about it.

But the trusts don't care what becomes of Jersey. They have got what they wanted out of her, and can go elsewhere now. Has her policy paid the trusts? Of course, the promoters have profited by it, but has business? Business men say "No." While I was working on Jersey I had to spend a great deal of time in Wall Street, and I heard this question discussed. The feeling of conservative corporation men can best be indicated by the proposition two of them made to me; one was the president of one of the oldest and cleanest corporations in the country, the other a corporation lawyer of national reputation. They said they would furnish the facts if I would write an article showing the methods by which some typical big corporations were being "wrecked."¹ Why were they willing to tell? Because, they said, the financial licentiousness and the criminal corruption of the financial rings they had in mind were a menace to corporate and all other business. And their examples were all taken from Jersey-made trusts, or from the operations of men interested in the exploitation of that State which protected the wreckers.

¹ This has been done by others since; the insurance business, for example.

Business men stand license no better than politicians. Having no self-restraint, they need the restraint of law, and having been placed by Jersey where they long have wanted to be, above the law, they find that anarchy, financial anarchy, is hurting business. So Jersey's liberal policy does not pay business? Whom does it pay? Not us, not the other States, not the United States. With millions of men holding watered stock in fallen or falling corporations, which have been robbed like cities, and with the President urging national control in the interest of business and fair play, that conclusion needs no enforcement. And, besides, "to hell with the rest." That is Jersey's attitude to-day; Governor Stokes is advocating other, higher principles; but strong forces are opposing him, and, to carry the State, he is appealing to Jersey motives, to wit: to save the business to the State. And, as for the rest of us, many of us envy Jersey. She is making money at the expense of the rest of us; she is trafficking in treason; but Delaware, Maryland, West Virginia, South Dakota and Maine are seeking by still greater liberality to get the trusts to come to them, and New York, Rhode Island, Massachusetts, and others would like to—because they think it pays. That is the American attitude. And the great American question is: Does it pay?

Let us go back to Jersey. Does it really pay her? *Has* she good government?

The government of New Jersey is a syndicate. You have noticed, perhaps, that I have had little to say about individual men. The reason is that there aren't any. Since Abbett, the Democratic Governor, and Senator Sewell,

the Republican boss, died, Jersey hasn't had any conspicuous, leading men, good or bad, on the machine side or on the side of reform. There are bosses, like Major Lentz in Essex County and David Baird in Camden, and there are reformers, too, but the bosses are local political agents of the controlling business interests—and the reformers are county reformers. Both parties take contributions from the business interests, organize the voters county by county, appoint candidates, and deliver to the business interests the sovereignty of the citizens in the shape of local and State officers and legislators who take orders like dummy-directors and deliver franchises, charters, and laws to the local, State, and national business interests that pay. The higher officers are representatives, customers, attorneys, or agents of the chief sources of corruption; they typically are business men, sometimes clean-handed, but they represent dirty money washed white in campaign funds and, instinctively, they stand for privileged business. The railroads, with the Pennsylvania at their head, and the so-called "Prudential Insurance—Fidelity Trust-Public Service Corporation" crowd, are the largest political spenders. Therefore they dominate. As between the Pennsylvania and this Public Service group, the Public Service is the stronger. The Governor, Mr. Stokes, retired from a Pennsylvania directorate to run for his office, but both the United States Senators, John Kean and John F. Dryden, are public utility men. This does not mean that they are against the "roads"; they are showing in the Senate that they are "safe" for the railroads. All the "rise" of these men means is that

the public utilities are the more active corruptionists; the railroads don't want much more now out of Jersey, only to be left alone; they don't care to rule just for the sake of ruling. If some other business, not antagonistic, will attend to the government and put up enough money to keep politics corrupt so that any business man can get what he wants for a fair price, the railroads are glad to neglect politics. Now the trolleys and other public utility businesses are still building up their business in Jersey; they are extending lines, buying and absorbing plants, making contracts all the time, so that they have, anyway, to keep in touch with politics, and at the bottom, too, in the cities and counties. Senator Kean has some independent public utilities down his way, but most of the water, gas, electric light and power, and the trolleys of New Jersey are held by the Public Service Corporation, Thomas N. McCarter, president. This company was financed by the Fidelity Trust Co., Uzal H. McCarter, president. And back of the trust are the men in the Prudential Insurance Company, John F. Dryden, president. Naturally, when General Sewell died Mr. Dryden was elected to the Senate. He had never taken any part in politics before, and his election caused some surprise and some difficulty; his friends had to buy outright several votes for him—unbeknown to him, they say—but that will probably not happen again. Unless there is "reform" in Jersey, the next time he runs for the United States Senate, he will probably go through as the chief visible representative of the system. I say visible, because the Prudential has relations with the Equitable Life in New York City; and

since the Pennsylvania resides in Philadelphia, the real seat of the government of New Jersey, the most selfish and provincial of States, is outside its borders, and the State government, which so liberally has served national trusts, actually is governed by a syndicate representing national corporate interests. Is this good government?

When I first went to work in Jersey I was made most welcome everywhere, by good citizens who, aware of the corrupt conditions all about them, wanted to help me to expose—what? The charter-granting system by which Jersey was betraying the citizens and the sound business of the whole country? Oh, no, they said. That was all right; that relieved Jerseymen of their State taxes. What, then, the State? The Public Service Corporation and the Lehigh Valley Railroad were preparing at that time to abandon the old Morris Canal, and to divide it up, the railroad to sell off the water and the trolley to have the canal-way for a trolley line. R. H. McCarter, the Attorney-General who must pass upon the bill, is a brother of Tom McCarter, president of the Public Service Corporation, and he was counsel for the Lehigh Valley; and the Legislature is owned by the Public Service and Railroad lobbies. Did they want me to show up the State government which made them despair of defeating this typical scheme of despoliation? No, they said, the State was in pretty good shape. There might be some evils, but the government was in the hands of good business men, safe and conservative, and they had it in an excellent financial condition. Very well, then, what would they have me “expose”? Why, their county. “Do Passaic county,” they

said, in Paterson; "we are having an investigation here right now." They were, and the condition was rotten with petty, political graft. In Newark and the Oranges they offered me Essex County. "That is the center of the whole business," they urged. And it is. But Jersey City, bestraddled and hemmed in by railroads which paid her no taxes, and shut her off from the water with their ferries and terminals, which denied the city easement for sewers—Jersey City would have made an interesting article. At the other end of the State, however, there was Camden declaring, "We are the worst. We need exposure the most." Exposure! I have never exposed anybody or anything, and no exposure is needed in any American community. What everybody knows is more than enough material for me, and in Jersey everybody knows everything apparently. The trouble there is that such citizenship as they have is mean, narrow, local. Jersey, in the mind of the average Jerseyman is a group of counties, and his concern, if he worries at all, is with the petty evils of his own sordid surroundings. My concern is for the other States that Jersey is selling out, my interest is in the story of the troubles she has caused me and you, not in the troubles of Jerseymen. I didn't know when I set out that they had any. I had heard that Jersey got good government out of her ruling corporations. And when I found that they really had troubles of their own, my first impulse was to rejoice. My first feeling was that I'd like to see the citizens of this selfish State pickle in the corruption of Hudson County and Essex, of Camden, and Passaic, and Middlesex, and Ocean. And when President Roosevelt proposed

that the Federal Government should take over the charter-granting function from the States, I said "Good; it will serve Jersey right. She deserves all the punishment we can give her."

That feeling was wrong. The President's suggestion may be sound, but I notice that many leading corporation men are leaning in that direction, and that makes me pause. Why this bad faith in Washington? Is the national government more corrupt than that of the States? Is it more representative of business than Jersey?

But there is another reason why I know my feeling about punishing Jersey is wrong: It is too Jersey-like. That is the spirit which has betrayed Jersey and made her betray the rest of us. It is the spirit of the reformers of the Oranges, of Hudson, and Camden, and they were in a fair way of finding it out when I was there. Camden elected as Mayor Joseph E. Nowrey, a Democrat who represented the city. David Baird, the Republican boss, is chairman of the State board that taxes railroads, and he is in business with the Public Service Corporation in his county. He had the State Legislature take away the veto and other powers of the Mayor. And thus Camden must see that Camden's issue cannot be fought out in Camden County.

Jersey City has for its Mayor a Republican, Mark Fagan, who is one of the few real democrats in this State. He has stood for "equal taxation," which is indeed the issue in his city, but he had to go to the Legislature. What did he find? He wrote Governor Murphy, a fellow Republican, a letter describing what he found;

here is part of it: "The Republican Legislature is controlled by the railroad, trolley, and water corporations, and the interests of the people are being betrayed. While I charge no man with personal corruption, I do not hesitate to say that this is a condition of affairs which is essentially corrupt, and which, if unchecked, means the virtual control of our State and our party by corporations. As a citizen I say that this condition is dangerous and demoralizing. As a public official I protest against the injustice done to Jersey City. As a member of the Republican party I deplore its subserviency to corporate greed and injustice. No political party can long receive the support of the people with such a record as this Republican Legislature is making."

The Orange men are not willing to grant forever and for nothing a trolley extension to the Public Service Corporation. They appeal to their local aldermen, only to find them bought up. By threats they frighten off the company, which proposes a Greater Newark to swallow up Orange in one well-owned municipality. The Orange men go to Trenton with a bill to limit all franchises to twenty-five years, and they find, what Mayor Fagan found, that their Legislature does not represent them; not even all the representatives from their own town represent them. Wouldn't you think they would see, Orange and Camden and Hudson, that the trouble is not that their local governments are bad, but that no part of their government represents them? and that the thing to do is to begin in their counties, make their Mayors and aldermen, not "good men," but men who will represent them, or be beaten. And that, this done, all

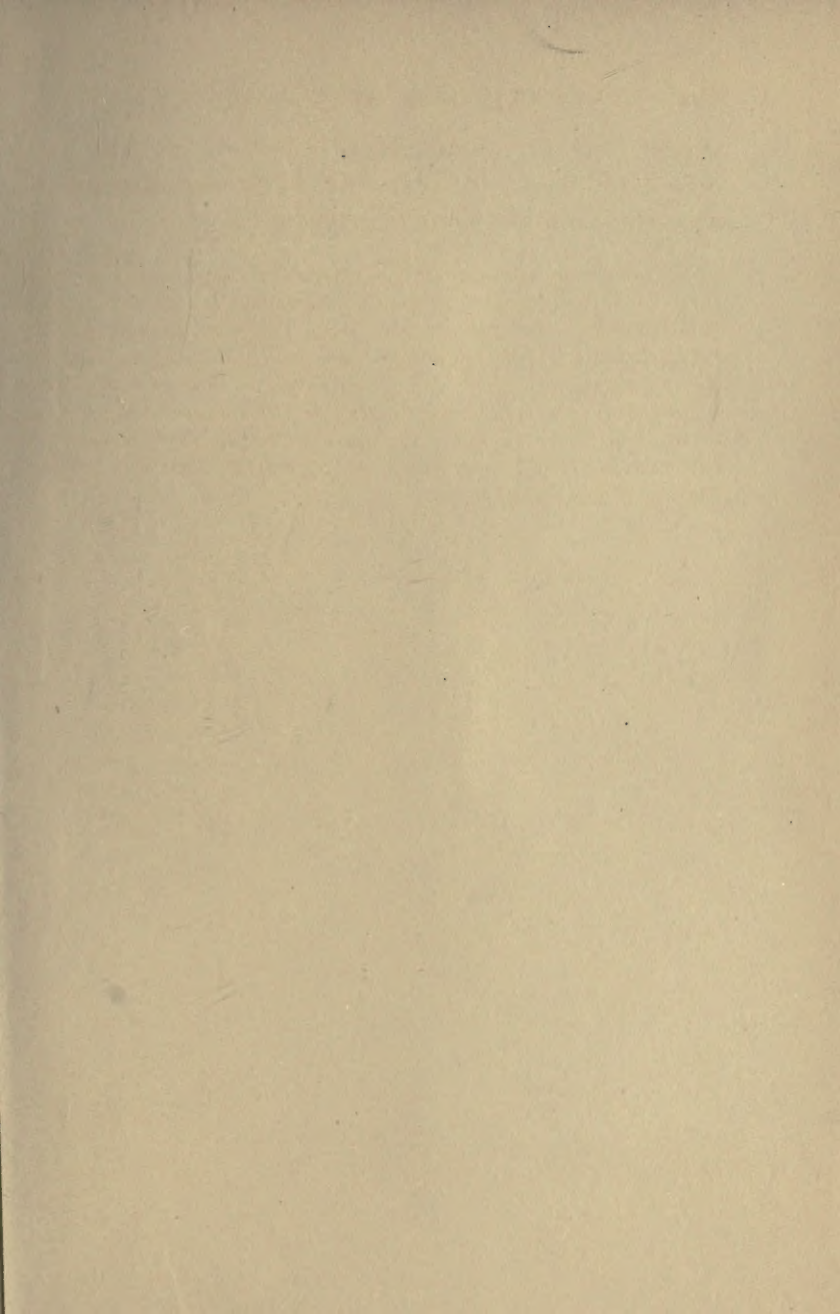
the good citizens in all the counties should get together, pledge their own legislators not only to represent their own county, but the wishes of good citizens in all counties, and last, but not least, that all these same citizens should see to it that this Legislature should, first, send to the Senate Senators who would represent you and me, and, second, pass no bills that would betray the will and injure the business of the United States? But, no, the local spirit of Jersey is the spirit of counties, cities, and States all over the country. It is the home-rule sentiment which says: "Give us good government, and to hell with the rest." And that, again, is the American spirit.

If our national government is corrupt, it is because Jersey and other States, being corrupt, send their Keans and Drydens to the Senate, and their Gardners and McDermotts to the House to misrepresent all of us. And if Jersey and the other States are corrupt, it is because their Jersey Cities, and their Hudson and Essex Counties, being corrupt, send their graduates in corruption to the State Legislature to misrepresent all the counties. Jersey-men can't see it so, but this is the truth: Jersey's policy toward the trusts, which is the cause of so much trouble to all the rest of us, is the cause of the trouble of all the counties of Jersey. The corruption of those counties is the foundation of the "good" State government that sells us out for fees, which, turned back into the counties to relieve them of taxes, act upon the character of Jersey's citizens like bribes: they keep Jerseymen contented with a State government which represents, not you and me and them, but corrupt special business interests, at home and

294 STRUGGLE FOR SELF-GOVERNMENT

abroad. The cry of Americans in wards, counties, cities, States, and the United States should be, not good government, but "representative government."²

² A promising movement for representative government in New Jersey has been started under the leadership of Senator Everett Colby of Essex, who beat his boss, Carl Lentz, in the fall of 1905. Back of Colby are the followers of Mayor Fagan of Jersey City and the reformers of Newark and the Oranges, in Essex County. They carried every county that they worked in last fall, and, reaching out to organize other counties, the movement they have inaugurated bids fair to make Jersey one of the leaders of State and National Reform in the United States.





490792
Steffens, Joseph Lincoln
The struggle for self-government.

Pol.Sci
Loc.Govt
S817st

**University of Toronto
Library**

**DO NOT
REMOVE
THE
CARD
FROM
THIS
POCKET**

Acme Library Card Pocket
LOWE-MARTIN CO. LIMITED

